# Forty-Fourth Annual Report
# of the
# New Mexico Public Service Commission

October 1, 1988

New Mexico Public Service Commission
Marian Hall
224 East Palace Avenue
P.O. Box 2205
Santa Fe, New Mexico 87504-2205
(505) 827-6940

New Mexico Public Service Commission
Forty-Fourth Annual Report
Historical Status Report
76th Fiscal Year
July 1, 1987 – June 30, 1988
Future Directions and Suggestions
July 1, 1988 – June 30, 1989

Compiled by:
Tom Halpin, Production
Lina Garcia, Writing and Supervision
Steve Meyer and Maria Brito, Tables
Barbara Rael, Typing and Compilation
Editors, The Commissioners

# NEW MEXICO PUBLIC SERVICE COMMISSION

POST OFFICE BOX 2205
SANTA FE, NEW MEXICO
87504-2205
(505) 827-6940

GARREY CARRUTHERS
GOVERNOR

MARIAN HALL, 224 EAST PALACE AVE., SANTA FE, NM 87501

JOSEPH E. SAMORA, JR.
CHAIRMAN
MARTIN J. BLAKE
COMMISSIONER
S. PETER BICKLEY
COMMISSIONER

October 1, 1988

The Honorable Garrey Carruthers
Governor
State of New Mexico
State Capitol Complex
Santa Fe, New Mexico 87503

Dear Governor Carruthers:

Pursuant to and in compliance with NMSA 1978, Section 62-6-2 (Repl.Pamp.1984), it is my pleasure and honor to make to you, for transmission to the Legislature, the Forty-fourth Annual Report on the acts and doings of the New Mexico Public Service Commission. This Annual Report sets forth certain suggestions for the best interests of the State including both the protection of consumers and investors and the encouragement and development of industry within New Mexico.

Respectfully submitted,

J E Samora

JOSEPH E. SAMORA, JR.
Chairman

JES Jr/ma

# Table of Contents


| | Page |
|---|---|
| Mission Statement | 1 |
| The Commissioners | 1 |
| Significant Events | 1 |
| Commission Organizational Units | 4 |
| Organizational Chart | 5 |
| Receipts and Disbursements | 6 |
| Public Utilities Regulated | 7 |
| Matters Considered | 8 |
| Future Directions | 10 |

**Appendix**

| | |
|---|---|
| Statutory Duties and Authorities | 12 |
| Table 1: Summary of Rate Requests | 13 |
| Table 2: Investor Owned Electric Utility Statistics | 13 |
| Table 3: Rural Electric Cooperative Utility Statistics | 13 |
| Table 4: Gas Utility Statistics | 14 |
| Table 5: Water Utility Statistics | 14 |
| Table 6: Number of Complaints | 14 |
| NMPSC Available Brochures | 15 |

## Mission Statement

The New Mexico Public Service Commission is charged by the Public Utility Act with the regulation of the rates and services provided by investor owned natural gas, electric, water and sewer utilities and by rural electric cooperatives in New Mexico. The Commission also regulates the rates of water and sanitation districts. The Commission's duties include setting utility rates, setting standards for acceptable service, approving construction of additional generating plant and transmission facilities, approving the issuance of securities by public utilities, the hearing and settlement of complaints, and ensuring compliance with Commission orders and rules. The Commission must balance the interests of utility customers and utility shareholders to assure that adequate, efficient and reasonable services are available to the public at fair, just and reasonable rates; that construction, development and extension of utility services is done without unnecessary duplication or waste; and that the utilities are able to attract investment capital for the plants and facilities which are to render these services.

## The Commissioners

**Joseph E. Samora, Jr., Chairman:** Born September 6, 1955, in Albuquerque, New Mexico; University of New Mexico (BA, JD); judicial law clerk to the New Mexico Supreme Court (1982–84), private law practice with the Albuquerque firm of Shaffer, Butt, Thornton and Baehr, P.C. (1984–85), Administrative Assistant and Counsel to the Chief Justice of New Mexico Supreme Court (1986); Chairman, American Bar Association/Young Lawyers Division, Public Utility Law Committee (1987–88), National Association of Regulatory Utility Commissioners Water Committee (1987), featured as one of "20 Young Lawyers Who Make A Difference" in the United States by the American Bar Association, Summer Edition, *Barrister* Magazine (1988), assumed Commissionership January 16, 1987, current term ends January 15, 1993.

**Martin J. Blake, Commissioner:** Born March 16, 1948, in Chicago, Illinois; Illinois Benedictine (BA Economics), University of Missouri (MA Economics, PhD Agricultural Economics); U.S. Army Captain (1975–76), Professor at New Mexico State University (1977–87), Policy Analyst for U.S. Department of Interior (1983), member of National Association of Regulatory Utility Commissioners Finance and Technology Committee, chairman of Western Society of Public Service Commissioners Electric Committee. Author; assumed Commissionership January 20, 1987, current term ends January 15, 1991.

**S. Peter Bickley, Commissioner:** Born September 27, 1931, in El Paso, Texas; Colorado School of Mines, Harvard Business School (MBA); Lieutenant in U.S. Corps of Engineers (1954–56), Engineer for Shell Oil Company (Exploration and Production) (1953–65), Manager for The First Church of Christ Scientist, in Boston (1966–80), Officer and Director of Calvin Exploration, Inc., in Santa Fe (1981–85); Society of Petroleum Engineers; Rocky Mountain Association of Geologists; American Gas Association; Director, Capital City AARP. Assumed Commissionership February 17, 1987, current term ends January 15, 1989.

## Significant Events

### Supreme Court Cases

Three Supreme Court cases, which resulted from appeals of Commission decisions, were resolved.

On December 28, 1987, the Supreme Court issued an opinion affirming the Commission's decision in Case No. 2019. In Public Service Company of New Mexico v. New Mexico Public Service Commission, 106 N.M. 622, 747 P.2d 917 (1987), the Supreme Court stated that the statute granting the Commission the authority to disapprove the formation of a public utility holding company allows disapproval not only of the resulting effect of the formation but also of the formation itself.

On January 11, 1988, the Supreme Court issued a decision affirming the Commission's decision in Case No. 2015. The court upheld the Commission's adoption of a method of allocating inventory revenues pursuant to the inventory stipulation.

The Commission's revision of General Order 37, dealing with Cogeneration, resulted in the dismissal of an appeal of G.O. 37 by Southwestern Public Service Company and other public electric utilities in New Mexico.

On June 15, 1988, the City of Albuquerque filed a Petition for Writ of Mandamus with the New Mexico Supreme Court (Sup. Ct. Case No. 17,779). The City's Petition sought the dismissal of NMPSC Case No. 2146, which concerns Public Service Company of New Mexico's Application for corporate reorganization and restructuring. The City argued that the Commission case should be dismissed because the Commission lacks the jurisdiction to grant the authorizations requested by PNM. The Commission opposed the City's Petition as premature, arguing among other things that the City had adequate remedies before the Commission that the City had failed to exhaust. On June 29, 1988, after hearing, the Supreme Court ruled that the City's Petition was premature and therefore denied it. Case No. 2146 remains pending before the Commission.

### Accounting Section Created

One of the recommendations of the Governor's NMPSC Transition Team was to create a utility accounting section for the Commission. On June 1, 1988, the Commissioners created such a section through internal reorganization. This section assists in the evaluation and review of utility filings; reviews, analyzes and provides recommendations on new accounting and tax issues and standards; and audits utility records to assure accuracy and compliance with Commission orders, regulations and prescribed utility accounting standards.

### Cogeneration Rule Revised

A revision of General Order 37 governing cogeneration and small power production was undertaken to address perceived problems with the energy rate and capacity payment provisions of Second Revised General Order 37. The resulting Third Revised General Order 37 provided that the calculation of the energy rate to be paid for the power generated by qualifying facilities shall be the average of the economy purchases by the

utility for the corresponding month of the immediately preceding twelve-month period. This was done to reflect seasonal price differences and reward cogenerators who could produce when the energy was needed, as reflected by high price. The methodology for the calculation of avoided capacity costs is to be determined by the Commission on a case-by-case basis based on the costs associated with a new capacity addition for the utility.

The revised General Order only slightly modified the requirements for a utility to sell to a qualifying facility back-up, maintenance, supplementary and interruptible power at set rates. A standard Interconnection Agreement was established to ease the administrative burden on small cogenerators of less than 100 kilowatts capacity.

### Electrical Engineering Section Established

In March, 1988, the Commission established an Electrical Engineering section through an internal reorganization. This section performs engineering analyses and furnishes expert testimony in electric utility plant certification, prudence and rate proceedings; monitors the compliance of electric utilities with Commission orders and regulations through inspections and visits to electric utilities; helps the Commission in the promulgation of rules and in arbitration proceedings relating to electrical engineering issues; and furnishes technical assistance to the Tariff and Compliance Section in dealing with service complaints.

### Docket Control Program

The Commission continued with the Docket Control Program initiated in February, 1987. The purpose of the program is to reduce the number of long-standing cases and to ensure that all cases are decided in a timely manner.

This year has seen a continued fulfillment of that objective. The Commission processed a total of 99 cases during the year including 61 of the 65 cases that were pending on July 1, 1987. This compares with an average total of 64 cases processed per year in the previous five year period.

As of June 30, 1988, 42 of the 46 cases on the docket were less than a year old. This compares with a total of 13 cases that were more than a year old when the fiscal year started on July 1, 1987.

### Codification

The Commission, in NMPSC Case No. 2086, adopted a new Code of Rules and Regulations governing all electric, gas, water and sewer utilities under its jurisdiction. The Code concluded almost eighteen months of consideration that included a complete overhaul of some general orders and an updating of every existing general order. By implementing the Code in the new format, the Commission has completed the first phase of a three-part project intended to make the rules and decisions of the Commission more accessible and understandable to the public and those parties who regularly appear before the Commission. The next two phases of the project are simplification of reporting requirements for utilities and computerization of the monitoring of compliance of utilities with those requirements. The Code replaces general orders, which have been issued by the Commission since 1941, in a more convenient, organized, and consistent manner. The Code has been divided into nine categories, and grouped according to the type of utility affected. Other added features of the Code include a detailed history of each rule, an index, and a simplified amendment procedure.

### Rule 110 (Formerly General Order 1) Is Updated –

The Commission, in NMPSC Case No. 2185, amended Third Revised General Order 1, the rules of procedure at the agency, by promulgating NMPSC Rule 110, which is in the new codification format. Rule 110 clarifies existing rules, more accurately tracks existing statutory language, eliminates requirements for municipal utilities, makes recommended dispositions of stipulations mandatory in Hearing Examiners' certifications, removes the provision that allows an annual financing application, adds a provision for mandatory settlement conferences, and modifies the procedures for disqualification of Commissioners.

### Professional Enhancement

The Commission has made an affirmative administrative decision to enhance professionalism within the agency by allowing and encouraging each staff professional to attend at least one educational seminar or institute during each fiscal year. Virtually every lawyer, accountant, engineer, and economist has attended a national conference. In addition, in-house seminars have been conducted to include participation by as many staff members as possible. In-house seminars have included a nationally-known utility financial accounting institute and a seminar on "How to Present Expert Witnesses and Expert Testimony." Six secretarial staff members are pursuing paralegal training.

### Natural Gas Transportation Rule (Case No. 1968 Phase I and G.O. 44)

New Mexico was the first state to pass open-access, nondiscriminatory natural gas transportation legislation in February, 1984. After two years of working with this legislation and the NMPSC natural gas transportation rules established to regulate it, the Gas Company of New Mexico filed Case No. 1968 to review these rules (October 15, 1986). In the meanwhile, the Legislature revised the statute in February, 1987, and added provisions dealing with anti-competitive behavior by gas transportation utilities (HB 444).

After considering written and oral comments and holding an informal workshop, the Commission issued a notice of proposed rulemaking in July, 1987.

After holding a formal hearing and receiving another round of comments, the Commission issued First Revised General Order No. 44 on December 30, 1987. This rule allows gas utilities to set flexible rates, to unbundle transportation services, and allows transportation customers to pay only for the services they require. Pipeline capacity is allocated on a first-come, first-served basis, but transportation customers must use the capacity or lose it. This is the first state natural gas trans-

portation rule in the nation which unbundles transportation services.

### Gas Company of New Mexico Rate Case (Case No. 2147)

On August 28, 1987, the Gas Company of New Mexico filed its first rate case since becoming a division of Public Service Company of New Mexico (A/N 409). In December, 1987, the Company amended its application by filing a new Advice Notice (A/N 410) to conform with the recently issued First Revised General Order No. 44, the Gas Transportation Rule.

This case is the first effort by a state regulatory commission to set transportation rates after unbundling transportation services.

Four weeks of hearings started on May 9, 1988, and concluded on June 8, 1988. The Commission was awaiting the hearing examiner's recommended decision on June 30, 1988.

### PNM Reorganization and Restructuring Case (Case No. 2146)

On August 14, 1987, PNM filed a proposal to reorganize under a holding company to restructure its operations. Under its proposal, PNM would transfer its electric generation and transmission assets to a new FERC-regulated wholesale subsidiary (Genco), while electric distribution assets would be transferred to a new PSC-regulated subsidiary (Disco). Following the transfer of assets, PNM would spin off Disco into a Master Limited Partnership (MLP). A subsidiary of the parent holding company would be the general partner of the MLP and PNM's gas and water utility divisions also would become subsidiaries of the parent holding company.

This proposal, if adopted by the Commission, would leave the excess capacity at PVNGS and San Juan 4 out of New Mexico rate base and alleviate the necessity of conducting a prudence audit of the nuclear facility. This is perhaps the most significant case ever to come before the NMPSC.

The Commission has encouraged the parties in Case No. 2146 to propose alternatives to PNM's plan. On January 7, 1988, the Commission Staff filed a proposed alternative plan. On April 19, 1988, the Attorney General filed an alternative plan and on April 22, 1988, PNM filed an informal response to Staff's plan.

The Commission held six public comment hearings which were very well attended in Clayton, Deming, Las Vegas, Albuquerque, Belen and Santa Fe.

The Commission has held several pre-hearing conferences with the parties and Staff to encourage resolution of the issues and set procedural guidelines. The intervenor parties and staff will file testimony on August 8, 1988. Hearings are scheduled to begin October 3, 1988 and are expected to last five weeks.

### Palo Verde Nuclear Generating Station (PVNGS) Audit Appropriation (Case No. 2087)

On January 14, 1987, the Commission docketed an investigation (Case No. 2087) into the prudence of Public Service Company of New Mexico's (PNM) investment in PVNGS. The case encompasses an adjudication and determination of the prudence of costs incurred by PNM in the construction of the facility as well as quantification of costs resulting from imprudence, if any.

In February, 1988, the Legislature appropriated $200,000 through the 1988–89 fiscal year for the purpose of the Commission conducting or adopting a prudency audit of the Company's participation. The investigation is currently being held in abeyance pending the outcome of Case No. 2146, PNM's current proposed reorganization and restructuring case.

### Alternative Dispute Resolution

The Commission has initiated efforts to use alternative dispute resolution methods in lieu of formal litigation proceedings when these seem appropriate.

The Commission held its first known arbitration proceeding on June 9, 1988, in Case No. 2207. The case involved a complaint by a residential ratepayer against an electric cooperative.

In Case No. 2151, a rule-making docketed to revise the commission's regulations governing uniform tax adjustment clauses in utility rate schedules, the complexity of the issues led the Commission to establish a Task Force. The purpose of the Task Force is to advise the Commission on issues and problems in revising the proposed rules. As of June 30, 1988, the Commission was awaiting the study and report from the Task Force.

The Commission, in revising its rules of practice and procedure (formerly G.O. No. 1; now NMPSC Rule 110), has included a provision to allow the Commission to require mandatory settlement conferences when deemed appropriate.

The Commission has also extensively used informal workshops to facilitate the rule-making process.

# Commission Organizational Units

The Public Service Commission is organized into seven technical sections and three administrative support sections, excluding the Commissioners. The seven technical sections are: Commission Counsel, Hearing Examiners, Staff Counsel, Economics, Electrical Engineering, Water, Gas and Sewer Engineering and Accounting. The three administrative support sections are: Administrative, Informations Systems and Operations. A brief description of the functions each section performs follows:

**Commission Counsel:** Act as general legal counsel to the Commission, providing legal advice to the Commissioners. Their duties include researching and drafting Commission orders and opinions as well as defending them in court appeals. Commission Counsel draft and evaluate legislation. They also provide assistance to the Executive Director in contract matters and intra-agency and inter-governmental legal matters.

**Hearing Examiners:** Conduct proceedings as presiding officers when appointed to do so by the Commission. Establish procedures and details for the conduct of proceedings, ensure that a full and adequate record is established, make rulings on procedural matters, conduct hearings, certify any stipulations negotiated by parties to the Commission, and make recommended decisions to the Commission including findings of fact and conclusions of law on all assigned cases.

**Staff Counsel:** Provides legal advice to the staff, assists in development of staff's positions, represents the staff in adversarial hearings before the Commission and represents Commission on appeals or other court proceedings. Assists in the review and implementation of legislation, rules and regulations. Provides legal advice to staff with respect to personnel, contracts, budgets, etc.

**Economics:** Evaluates financial markets and cost of capital issues; conducts rate of return analyses; cost of service studies and rate design analysis; makes supply and demand forecasts and production costs studies; reviews various filings; and submits expert testimony on these issues as necessary.

**Electrical Engineering:** Performs analysis and provides expert testimony on issues related to electric utilities, including plant design, specifications, capacity, reliability, depreciation rates, utility expenses and certificates of public convenience and necessity. Develops rate base, cost of service, revenue requirements, computer simulations of system operations and costs. Assists in other interdisciplinary analysis as required. Develops and implements staff policy regarding rates, filing requirements and procedures. Evaluates various utility filings including fuel and plant costs, affiliate transactions, etc. Provides technical support to Tariff and Compliance section.

**Water, Gas and Sewer Engineering:** Performs analysis and provides expert testimony on issues related to water, gas and sewer utilities, including plant design, specifications, capacity, reliability, depreciation rates, utility expenses and certificates of public convenience and necessity. Develops rate base, cost of service, revenue requirements, computer simulations of system operations and costs. Assists in other interdisciplinary analysis as required. Develops and implements staff policy regarding rates, filing requirements and procedures. Evaluates various utility filings including fuel and plant costs, affiliate transactions, etc. Provides technical support to Tariff and Compliance section.

**Accounting:** Audits the books and records of jurisdictional utility companies. Evaluates accounting procedures utilized by companies and submits recommendations to the Commission via expert prefiled testimony. Advises the Commission on the implications of new accounting releases and standards. Verifies the accuracy and completeness of accounting information submitted by utility companies. Ensures that utilities' cost of service accounting entries are just and reasonable.

***Administrative:*** Performs and supervises preparation of Commission annual budget; also responsible for budget control, accounts payable, accounts receivable, insurance, contracts, inventory, and maintenance. In addition it has overall responsibility for all personnel matters.

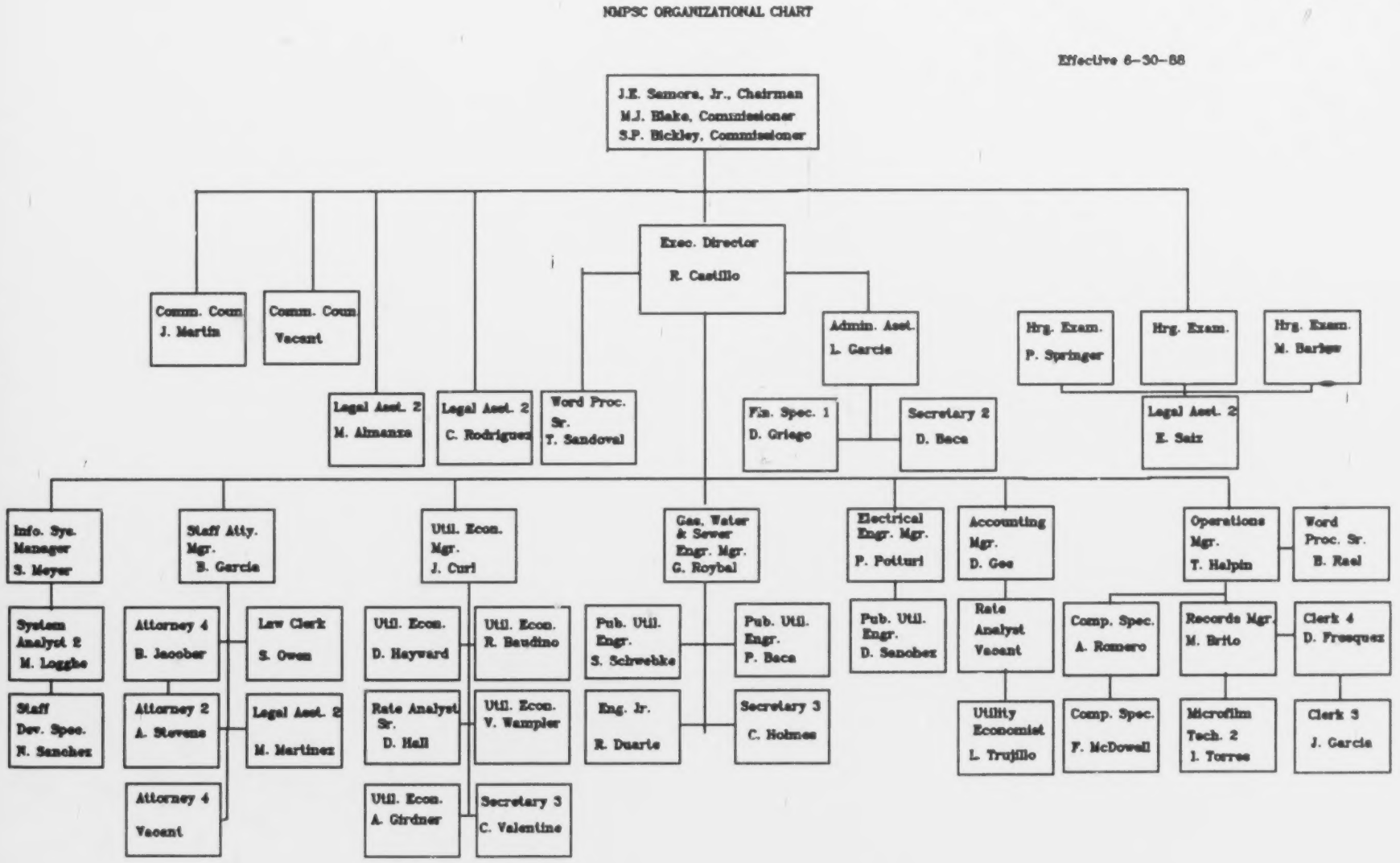
***Information Systems:*** Responsible for the operation and maintenance of the Commission's computer and information system resources. Program planning, development and implementation is coordinated to support staff case assignments and management objectives.

***Operations:***

***Records Management:*** Maintains Commission case record files and general files. It also receives rates, rules and forms filed by utilities; maintains Commission docket; and publishes and distributes daily pleadings log and matters pending log.

***Tariff and Compliance:*** Ensures compliance with Commission rules, regulations and policy. It monitors utilities regarding timely filing and compliance of service General Orders; provides information, education and provides assistance to consumers who are unable to resolve filing and service problems; testifies on issues as necessary.

# ORGANIZATION CHART



STATE OF NEW MEXICO
PUBLIC SERVICE COMMISSION
STATEMENT OF RECEIPTS AND DISBURSEMENTS*

76th Fiscal Year
July 1, 1987 through June 30, 1988

| | |
|---|---|
| RECEIPTS | |
| General Fund Appropriation | $2,544.4 |
| Special Appropriation | 60.4 |
| Inspection and Supervision Fees | 5,648.7 |
| Filing Fees | 1.7 |
| Sales of Misc. Documents and Publications | 2.1 |
| Penalty and Interest | 2.9 |
| Total Receipts | $8,271.2 |
| DISBURSEMENTS | |
| Personal Services | $1,482.6 |
| Employee Benefits | 352.6 |
| Travel | 17.5 |
| Maintenance and Repairs | 76.1 |
| Supplies | 31.1 |
| Contractual Services | 361.1 |
| Education and Training | 27.6 |
| Capital Outlay | 189.6 |
| Out-of-State Travel | 31.6 |
| Total Disbursements | $2,569.9 |
| Excess of Receipts over Disbursements | $5,701.3 |
| DEDUCT | |
| Transfer to State General Fund | $5,655.4 |
| Budgetary Revision to State General Fund | 45.9 |
| Total Deduction | $5,701.3 |
| BALANCE, June 30, 1988 | $ 0.0 |

*Thousands of dollars

# Public Utilities Regulated by the New Mexico Public Service Commission

### Investor Owned Electric Utilities

El Paso Electric Company
Public Service Company of New Mexico
Southwestern Public Service Company
Texas–New Mexico Power Company

### Rural Electric Cooperative Utilities

Central New Mexico Electric Cooperative, Inc.
Central Valley Electric Cooperative, Inc.
Columbus Electric Cooperative, Inc.
Continental Divide Electric Cooperative, Inc.
Duncan Valley Electric Cooperative, Inc.
Farmers Electric Cooperative, Inc.
Jemez Mountains Electric Cooperative, Inc.
Kit Carson Electric Cooperative, Inc.
La Plata Electric Association, Inc.
Lea County Electric Cooperative, Inc.
Mora–San Miguel Electric Cooperative, Inc.
Navopache Electric Cooperative, Inc.
Northern Rio Arriba Electric Cooperative, Inc.
Otero County Electric Cooperative, Inc.
Plains Electric Generation & Transmission Cooperative, Inc.
Rio Grande Electric Cooperative, Inc.
Roosevelt County Electric Cooperative, Inc.
Sierra Electric Cooperative, Inc.
Socorro Electric Cooperative, Inc.
Southwestern Electric Cooperative, Inc.
Springer Electric Cooperative, Inc.

### Investor Owned Water Utilities

Agua Fria Development Company
Albuquerque Utilities Corporation
Alto Village Services Corporation
Angel Fire Services Corporation
Anthony Water Works, Inc.
Boles Acres Water System
Caprock Water Company
CBG Maintenance Inc.
Cerrillos Water & Irrigation Company
Country Club Estates Water Utility, Inc.
Desertaire Water Company
Dutchman's Hill Water Company
Echo Valley Water Company
Edgewood Water Utility Company, Inc.
El Dorado Utilities, Inc.
Golden Acres Water Company, Inc.
Independent Water Company
Indian Hills Water Company
Jornada Water Company
Lake Section Water Company
Leggett Springs Water Company
Mesa Development Center
Moongate Water Company
National Utility Company, Inc.
New Mexico American Water Company
New Mexico Utilities, Inc.
Quemado Waterworks
Ranchos de Placitas Water Company
Rancho Ruidoso Village Water Company
Reserve Waterworks
Rio Grande Utility Corporation
River Valley View Water Works
Riverside Water Service Company, Inc.
Sandia Peak Utility Company
Sangre de Cristo Water Company
Santa Teresa Service Company
South Hills Water Company
Sunlit Hills of Santa Fe Inc.
Thunder Mountain Water Company
Timberon Water Company, Inc.
Valle Vista Water Utility Co.

### Investor Owned Natural Gas Utilities

Gas Company of New Mexico
Hobbs Gas Company
Jal Gas Company
Midwest Energy Corporation
Raton Natural Gas Company
Ruidoso Natural Gas Company

### Liquified Petroleum Gas Utilities

Keeth Gas Company

### Water and Sanitation Districts

Alpine Village Water & Sanitation District
Lakeshore City Water & Sanitation District
Ranchos de Placitas Water & Sanitation District
San Rafael Water & Sanitation District
Twining Water & Sanitation District

## MATTERS CONSIDERED BY THE PUBLIC SERVICE COMMISSION BETWEEN JULY 1, 1987 AND JUNE 30, 1988

| Case No. | Company | Date Filed | Type of Proceeding | Disposition | Date |
|---|---|---|---|---|---|
| 1597 | Green Meadow Lakes | 09/11/80 | Certificate Postponed | Final Order | 08/17/87 |
| 1604 | Jim McCutchen | 10/06/80 | Show Cause | Final Order | 12/21/87 |
| 1703 | M. O. Seay | 09/21/81 | Show Cause | Final Order | 08/04/87 |
| 1811 | Public Service Company of New Mexico | 04/18/83 | Coal Costs | Pending | |
| 1893 | NMPSC | 05/14/84 | Conservation | Final Order | 12/21/87 |
| 1904 | Sunlit Hills Water | 06/18/84 | Rate Adjustment | Final Order | 07/06/87 |
| 1940 | Golden Acres Water Company | 01/22/85 | Change of Ownership | Dismissed | 12/23/87 |
| 1951 | Public Service Company of New Mexico | 03/15/85 | Incentive Rates | Dismissed | 09/08/87 |
| 1968 | Gas Company of New Mexico | 07/19/85 | Complaint | Dismissed | 09/08/87 |
| 1989 | Public Service Company of New Mexico | 09/03/85 | Line Extension Policy | Final Order | 04/20/88 |
| 2004 | Public Service Company of New Mexico | 12/05/85 | Investigation of In-service | Final Order | 07/30/87 |
| 2040 | Gas Company of New Mexico | 06/02/86 | Request for Variance from G.O. 44 | Dismissed | 12/23/87 |
| 2044 | El Paso Electric Company | 06/05/86 | Certificate | Final Order | 10/19/87 |
| 2048 | Otero County Electric Cooperative | 07/08/86 | Demand Metering | Final Order | 04/20/88 |
| 2053 | Public Service Company of New Mexico | 08/07/86 | Self-generating Rates | Dismissed | 12/21/87 |
| 2057 | Sangre de Cristo Water Company (PNM) | 08/19/86 | Expansion Charge | Final Order | 08/03/87 |
| 2058 | Public Service Company of New Mexico | 08/19/86 | Late Pay Charge | Final Order | 10/05/87 |
| 2060 | Springer Elec. Cooperative | 08/22/86 | Complaint | Final Order | 07/06/87 |
| 2068I | Gas Company of New Mexico | 10/15/86 | G.O. 44 Amendments | Final Order | 11/10/87 |
| 2068II | Gas Company of New Mexico | 10/15/86 | Rate Case A/N #403 | Final Order | 08/17/87 |
| 2070 | New Mexico Utilities Inc. | 10/22/86 | Complaint | Final Order | 08/17/87 |
| 2072 | Ruidoso Natural Gas Company | 12/01/86 | PGAC Extension | Final Order | 05/02/88 |
| 2074 | El Paso Electric Company | 11/26/86 | General Diversification Plan | Final Order | 11/02/87 |
| 2079 | Continental Divide Electric Cooperative | 12/05/86 | Complaint | Pending | |
| 2082 | NMPSC | 12/16/86 | Investigation | Final Order | 04/18/88 |
| 2084 | Public Service Company of New Mexico | 12/16/86 | Complaint | Final Order | 12/07/87 |
| 2086 | NMPSC | 01/05/87 | Codification of Rules | Final Order | 06/30/88 |
| 2087 | Public Service Company of New Mexico | 01/14/87 | PVNGS Prudence Costs | Pending | |
| 2088 | NMPSC | 01/14/87 | Alternatives to Inventorying | Final Order | 11/13/87 |
| 2090 | Capitan-Carrizozo v. Ruidoso | 01/29/87 | Complaint | Final Order | 12/07/87 |
| 2092 | El Paso Electric Company | 01/30/87 | Rate Case A/N #124 | Final Order | 11/02/87 |
| 2093 | Gas Company of New Mexico | 01/30/87 | Acquisition of Processing Plants | Pending | |
| 2095 | Leggit Springs Water Company | 02/10/87 | Certificate | Final Order | 05/16/88 |
| 2096 | Public Service Company of New Mexico | 02/17/87 | Invent. AFUDC Reconciliation Report | Final Order | 11/24/87 |
| 2099 | Mora–San Miguel Electric Cooperative | 03/02/87 | Rate Case A/N #26 | Final Order | 01/27/88 |
| 2100 | Gas Company of New Mexico | 03/04/87 | G.O. 36—Refund/Surcharges | Final Order | 12/23/87 |
| 2101 | 7 Electric Cooperatives | 02/17/87 | Rate Filing G.O. 37 | Final Order | 12/07/87 |
| 2102 | Lea County/Roosevelt County Coops | 02/13/87 | Rate Filing G.O. 37 | Final Order | 12/07/87 |
| 2103 | Plains Electric Gen. & Trans. Coop | 02/13/87 | Rate Filing G.O. 37 | Final Order | 12/07/87 |
| 2104 | Central Valley Electric Cooperative | 02/13/87 | Rate Filing G.O. 37 | Final Order | 12/07/87 |
| 2105 | Northern Rio Arriba Electric Cooperative | 02/17/87 | Rate Filing G.O. 37 | Final Order | 12/07/87 |
| 2106 | Springer Electric Cooperative | 02/16/87 | Rate Filing G.O. 37 | Final Order | 12/07/87 |
| 2107 | Navopache Electric Cooperative | 02/11/87 | Rate Filing G.O. 37 | Final Order | 12/07/87 |
| 2108 | Southwestern Electric Cooperative | 02/17/87 | Rate Filing G.O. 37 | Final Order | 12/07/87 |
| 2109 | Public Service Company of New Mexico | 02/16/87 | Special Charges | Dismissed | 12/07/87 |
| 2111 | Farmers Electric Cooperative | 02/16/87 | Rate Filing G.O. 37 | Final Order | 12/07/87 |
| 2112 | Public Service Company of New Mexico | 03/18/87 | Cogeneration & Small Power G.O. 37 | Final Order | 12/17/87 |
| 2113 | Southwestern Public Service Company | 03/18/87 | G.O. 37 Variance | Final Order | 12/21/87 |
| 2115 | Public Service Company of New Mexico | 03/19/87 | Complaint | Dismissed | 08/03/87 |
| 2116 | Columbus Electric Cooperative | 03/05/87 | Rates/Revised G.O. 37 | Final Order | 12/07/87 |
| 2117 | Duncan Valley Electric Cooperative | 03/18/87 | Rates-Filing G.O. 37 | Final Order | 12/07/87 |
| 2118 | Mora–San Miguel Electric Cooperative | 04/03/87 | Rates Filing G.O. 37 | Final Order | 01/04/88 |
| 2119 | Ruidoso Natural Gas Company | 04/14/87 | Gas Sale Approval | Dismissed | 11/02/87 |
| 2122 | Rio Grande Electric Cooperative | 04/16/87 | Rate Case A/N 22 | Final Order | 03/07/88 |
| 2123 | South Hills Water Company | 04/20/87 | Show Cause | Final Order | 10/29/87 |
| 2124 | Public Service Company of New Mexico | 04/16/87 | Meter Test Application | Final Order | 10/19/87 |
| 2125 | Texas–New Mexico Power Company | 04/13/87 | Rate Filing G.O. 37 | Final Order | 05/02/88 |
| 2127 | El Paso Electric Company | 04/24/87 | G.O. 37 New Rate | Final Order | 12/21/87 |
| 2128 | Gas Company of New Mexico | 05/14/87 | G.O. 44 Variance | Final Order | 07/24/87 |
| 2129 | Public Service Company of New Mexico | 05/15/87 | Complaint | Dismissed | 08/03/87 |
| 2130 | NMPSC | 05/20/87 | Tax Reform Act Effects | Final Order | 02/25/88 |
| 2131 | Riverside Water Service Company | 05/20/87 | Abandonment Certificate | Final Order | 10/05/87 |
| 2133 | Gas Company of New Mexico | 06/01/87 | Declaratory Order | Final Order | 10/05/87 |
| 2135 | William O. Breedlove | 06/01/87 | G.O. 32 Variance | Final Order | 02/16/88 |

| | | | | | |
|---|---|---|---|---|---|
| 2136 | El Paso Electric Company | 06/29/87 | Sale & Leaseback (PVNGS) | Final Order | 08/17/87 |
| 2137 | Sandia Peak Utility (Sewer) | 07/01/87 | Diversification Plan | Final Order | 11/24/87 |
| 2138 | Plains Electric Gen. & Trans. Cooperative | 06/29/87 | A/N #15 Rates | Final Order | 04/18/88 |
| 2139 | Public Service Company of New Mexico | 07/07/87 | Complaint—AG vs PNM | Dismissed | 11/13/87 |
| 2140 | Ruidoso Natural Gas Company | 07/14/87 | Petition to Show Cause | Final Order | 02/25/88 |
| 2141 | Sandia Peak Utility (Sewer) | 07/27/87 | Variance G.O. 34 | Final Order | 04/04/88 |
| 2142 | South Hills Water Company | 08/03/87 | G.O. 27—Depreciation | Final Order | 05/16/88 |
| 2143 | Southwestern Electric Cooperative | 08/05/87 | Authorizing Refund | Final Order | 02/25/88 |
| 2144 | Mora-San Miguel Electric Cooperative | 08/07/87 | Levelized Adjustment | Final Order | 10/19/87 |
| 2145 | Navopache Electric Cooperative | 08/10/87 | Financing | Final Order | 09/08/87 |
| 2146 | Public Service Company of New Mexico | 08/14/87 | Reorganization Consolidated with 2088 | Pending | |
| 2147 | Gas Company of New Mexico | 08/28/87 | A/N #409/A/N #410 Rates & Rules | Pending | |
| 2148 | AMOCO Production Company | 09/22/87 | Board Policy B421 | Pending | |
| 2149 | NMPSC | 09/28/87 | 2nd Rev. G.O. 37 | Final Order | 03/10/88 |
| 2150 | Albuquerque Utilities Corporation | 09/29/87 | Financing | Final Order | 10/29/87 |
| 2151 | NMPSC | 10/05/87 | 2nd Rev. G.O. 25 | Pending | |
| 2152 | Columbus Electric Cooperative | 10/01/87 | Financing | Final Order | 11/02/87 |
| 2153 | Moongate Water Company | 10/07/87 | Certificate | Pending | |
| 2154 | Sandia Peak Utility Company | 09/29/87 | A/N #15 Rates | Pending | |
| 2155 | Jal Gas Company | 10/29/87 | A/N #27 Rates | Final Order | 05/16/88 |
| 2156 | Rio Grande Utility Corporation | 10/29/87 | A/N #17 Rate Suspension | Final Order | 10/29/87 |
| 2157 | NMPSC | 11/02/87 | Rates for Sewer Utilities | Final Order | 06/16/88 |
| 2158 | Tribune/Swab-Fox Company Inc. | 11/02/87 | Certificate | Pending | |
| 2159 | Public Service Company of New Mexico | 11/03/87 | 1804 Inventory | Final Order | 12/23/87 |
| 2160 | Sangre de Cristo Water Company | 11/13/87 | Tax Reform Act | Final Order | 02/16/88 |
| 2161 | NMPSC | 11/24/87 | Sprinkler Stand-by Charges | Pending | |
| 2162 | El Paso Electric Company | 11/20/87 | Rate Increase | Pending | |
| 2163 | Southwestern Public Service Company | 11/24/87 | Rate Decrease | Final Order | 12/21/87 |
| 2164 | Southwestern Public Service Company | 11/24/87 | Capital Contribution to Affiliate | Final Order | 05/02/88 |
| 2165 | Desertaire Water Company | 12/04/87 | A/N #5 Rates | Final Order | 06/06/88 |
| 2166 | Rio Grande Utility Corporation | 12/11/87 | A/N #17 Rates | Pending | |
| 2167 | Albuquerque Utilities Corporation | 12/21/87 | Operation of Sewer System | Pending | |
| 2168 | Sandia Peak Utility Company | 12/21/87 | Operation of Sewer System | Pending | |
| 2169 | New Mexico Utilities Inc. | 12/21/87 | Operation of Sewer System | Pending | |
| 2170 | Rio Grande Utility Cooperative | 12/21/87 | Operation of Sewer System | Pending | |
| 2171 | Santa Teresa Service Company | 12/23/87 | Certificate/Sewage System | Pending | |
| 2172 | Texas-New Mexico Power Company | 12/23/87 | Petition for Waiver (Tax Reform Act 1986) | Final Order | 01/19/88 |
| 2173 | Texas-New Mexico Power Company | 12/23/87 | Application/Issuance of Securities | Final Order | 04/18/88 |
| 2174 | Angel Fire Services Cooperative (Sewer) | 12/28/87 | Operation of Sewer System | Pending | |
| 2175 | Texas-New Mexico Power Company | 12/30/87 | Financing | Final Order | 01/27/88 |
| 2176 | Columbus Electric Cooperative | 12/04/87 | A/N #16 Rates | Pending | |
| 2177 | Valle Vista Sewer Utility Company | 12/21/87 | A/N #3 Rates, Rules, Forms | Pending | |
| 2178 | New Mexico-American Water Company | 01/07/88 | Financing | Final Order | 02/03/88 |
| 2179 | Gas Company of New Mexico | 01/07/88 | Variance (1st Revised G.O. 44) | Final Order | 05/16/88 |
| 2180 | River Valley View Water Company (Nemish) | 01/14/88 | Certificate | Pending | |
| 2181 | Sangre de Cristo Water Company | 1/15/88 | Complaint | Final Order | 04/18/88 |
| 2182 | Sandia Peak Utility (Sewer) | 01/26/88 | Complaint | Pending | |
| 2183 | Gas Company of New Mexico | 01/29/88 | Petition to Suspend PGAC Increase | Pending | |
| 2184 | Ruidoso Natural Gas Company | 01/29/88 | Application for Variance & Enlargement | Pending | |
| 2185 | NMPSC | 04/18/88 | Notice of Rulemaking | Final Order | 06/16/88 |
| 2186 | El Paso Electric Company | 02/16/88 | Amendment to Diversification Plan | Pending | |
| 2187 | El Paso Electric Company | 02/16/88 | Application to Issue Securities | Pending | |
| 2188 | Public Service Company of New Mexico | 02/23/88 | PNM Inventory Case | Pending | |
| 2189 | El Paso Electric Company | 02/18/88 | PVNGS/Leaseback Transactions | Final Order | 03/30/88 |
| 2190 | NMPSC | 02/25/88 | Adoption of Amendments to Part of G.O. 42 | Final Order | 06/16/88 |
| 2191 | Public Service Company of New Mexico | 03/07/88 | Complaint—Refund of Fuel Overcharges | Pending | |
| 2192 | NMPSC | 03/10/88 | Petition—Comm. Invest. & Other Relief | Final Order | 03/25/88 |
| 2193 | Plains Electric Gen. & Trans. Cooperative | 02/26/88 | Rate Case A/N #16 | Pending | |
| 2194 | Plains Electric Gen. & Trans. Cooperative | 02/26/88 | Rate Case A/N #17 | Pending | |
| 2195 | Farmers Electric Cooperative | 03/29/88 | Financing | Final Order | 04/18/88 |
| 2196 | Kit Carson Electric Cooperative | 04/04/88 | Re-petition under G.O. 46 Debt Cost Adj. | Final Order | 06/30/88 |
| 2197 | Otero County Electric Cooperative | 04/05/88 | Complaint | Pending | |
| 2198 | Socorro Electric Cooperative | 04/15/88 | Financing | Final Order | 05/23/88 |
| 2199 | El Dorado Utilities | 04/15/88 | Permanent Financing | Dismissed | 05/23/88 |
| 2200 | Albuquerque Utilities Corporation | 04/15/88 | Permanent Financing | Final Order | 05/23/88 |
| 2201 | Albuquerque Utilities Corporation | 04/15/88 | General Diversification Plan | Dismissed | 05/23/88 |
| 2202 | New Mexico-American Water Company | 04/25/88 | Rate Increase | Pending | |
| 2203 | Public Service Company of New Mexico | 04/29/88 | Alternate Conservation Service Plan | Final Order | 06/06/88 |
| 2204 | Sangre de Cristo Water Company | 05/05/88 | Petition | Pending | |
| 2205 | Southwestern Public Service Company | 05/09/88 | Application for Variance | Pending | |

| | | | | | |
|---|---|---|---|---|---|
| 2206 | Sangre de Cristo Water Company | 05/09/88 | A/N #82 Rule | Final Order | 06/30/88 |
| 2207 | Northern Rio Arriba Electric Cooperative | 05/19/88 | Binding Arbitration | Pending | |
| 2208 | M. O. Seay | 05/20/88 | Petition/Show Cause | Pending | |
| 2209 | Gas Company of New Mexico | 05/24/88 | Application | Pending | |
| 2210 | Country Club Estates Water Utility | 05/31/88 | Plant Acquisition (CCE & SDC) | Pending | |
| 2211 | Texas–New Mexico Power Company | 05/09/88 | A/N #63 Rates, Rules & Forms | Pending | |
| 2212 | NMPSC/El Paso Electric Company | 06/08/88 | Petition for an Order to Show Cause | Pending | |
| 2213 | Texas–New Mexico Power Company | 05/26/88 | Variance | Pending | |
| 2214 | Reserve Waterworks | 06/16/88 | A/N #9 Rates | Pending | |
| 2215 | Lea County Electric Cooperative | 06/22/88 | Variance Levelized Fuel & Power Cost Adj | Pending | |
| 2216 | NMPSC | 06/30/88 | Open Meeting Policy | Final Order | 06/30/88 |

# Future Directions and Suggestions

## Economic Development Rates

The Commission is in the process of developing a regulation dealing with economic development rates. Economic development rates are discount rates which would apply to energy usage above a customer's established historical usage. Participation by utilities would be voluntary and they could offer economic development rates only so long as they have surplus capacity. Customers would have to be able to demonstrate additions to employment or additional purchases of capital equipment to qualify for these discount rates. Such rates would permit utilities to market their surplus power in-state at reduced rates rather than forcing them to market it out-of-state as is currently the case.

The Commission will also explore the possibility of area development and load retention rates. Area development rates are discount rates for commercial and industrial customers in depressed economic areas. Load retention rates would provide utilities with the flexibility to lower rates to meet competition from other fuels or other areas. These rates could be used to prevent an existing customer switching to another fuel, moving to another area or, possibly, from going out of business.

## Simplification/Paperwork Reduction

The Commission has initiated a major effort to simplify and streamline its reporting requirements. In April, 1988, the Commission staff was surveyed to identify reports or sections of reports which were duplicative or no longer needed. In June, 1988, the utilities regulated by the Commission were surveyed to identify duplications in reports and to identify reports filed with any other state or federal governmental agency which contain the same information. If a form filed with another government agency, such as the Federal Energy Regulatory Commission, contains most of the information required on one of our Commission forms, we could consider the possibility of accepting a copy of the FERC form with an addendum containing the information we needed which was not on the FERC form. On August 8, 9 and 10, 1988, an informal workshop of Commission staff and utility representatives was scheduled to consider the results of the surveys and arrive at final recommendations for simplification of reporting requirements. The Commission plans to act on these recommendations in the Fall, 1988.

## Computerized Information Retrieval

The Commission is in the process of developing a case summary database. This database summarizes the relevant issues and the outcome of every case decided by the Commission. It will be indexed by keywords and can be sorted by utility name, type of utility, type of case, intervenors, and case number. It contains a brief summary of the case, a case narrative, compliance requirements and summary rate information for rate cases. This database can be used to a large extent as a substitute for institutional memory. The Commission may explore with the Legislature creative methods of funding such major development efforts.

The Commission is also negotiating with New Mexico TECHNET to make its rules, regulations and final orders available on TECHNET's data system. The sophisticated search capabilities of TECHNET would make it much quicker and easier for businesses, institutions and the public around the state to locate and access Commission regulations and decisions.

## Competitive Bidding Rule for New Electrical Generation

The Commission plans to explore the development of a new rule requiring utilities to competitively bid all new electric generation capacity additions. Over time, competitive bidding should result in a least-cost mix of utility resources and result in the lowest possible cost of providing electrical energy to customers.

## Coordination With Other States

The Commission plans to establish closer ties with regulatory agencies in other states in the area of regulating Rural Electric Cooperatives. Occasionally, a Rural Electric Cooperative will have the bulk of its customers in one state and only a few customers in another state. It may be possible to ease the regulatory burden on these cooperatives through closer coordination with regulatory agencies in other states.

## Computerize Compliance

In the effort to simplify and streamline reporting requirements, the Commission will identify all reports and compliance filings by utilities coming into the Commission. This list of reporting requirements will be set up as a database on the computer to ensure that compliance filings are received on time and that they are routed to the staff members who need that information once they are received. The database will also be used to ensure that Commission Staff analyzes and approves any compliance filing that requires analysis or verification.

# Appendices

## Statutory Duties and Authority

The New Mexico Public Service Commission is charged by the Public Utility Act with the regulation of the rates and service provided by gas, electric, water and sewer utilities. NMSA 1978, Sections 62-3-1, et seq. (Repl.Pamp.1984 and Cum.Supp.1986). The Public Utility Act became law in New Mexico in 1941. N.M. Laws 1941, Ch.85. The Act created a 3-person Commission appointed by the Governor, with the approval of the Senate, for staggered 6-year terms. NMSA 1978, Sections 62-5-1,-5-3 (Repl.Pamp.1984).

Municipally-owned utilities are not subject to Commission jurisdiction under the Act unless the voters of the municipality vote for regulation. NMSA 1978, Sections 62-6-5 (Repl.Pamp.1984). At the end of the period covered by this report, no municipality was subject to Commission regulation. The Commission once had the authority to disapprove the rates and service regulations of an electric municipal utility operating more than 5 miles beyond a municipal boundary. NMSA 1978, Section 3-24-9 (Repl.Pamp.1984). The 1987 Legislature, however, repealed this authority. N.M. Laws 1987, Ch.170.

Rural electric cooperatives initially came within Commission jurisdiction in 1961. Laws 1961, Ch.89. That law was found unconstitutional in 1966; however, jurisdiction was re-established in 1967. Community Public Service Co. v. N.M. Public Service Comm'n, 76 N.M. 314, 414 P.2d 675 (1966), cert. denied, 385 U.S. 933 (1966); Laws 1967, Ch.96.

In 1985, the Legislature partially deregulated rural electric cooperatives, small water companies, and water and sanitation districts. NMSA 1978, Sections 62-8-7(F),-7.1 (Cum.Supp.1986); NMSA 1978, Sections 73-21-16(L),-55 (Cum.Supp.1986). As a result, rural electric cooperatives may change rates without prior Commission approval unless ratepayers protest to the Commission, in which case the Commission holds hearings prior to rate implementation. Similarly, water companies whose annual revenues are less than $500,000 can increase rates without prior Commission approval unless the increase is more than 50% or ratepayers protest to the Commission.

The rates, but not the service, of water and sanitation districts had been subject to Commission prior approval under the Water and Sanitation District Act. N.M. Laws 1967, Ch.187. Now, district rates and charges are only subject to Commission approval upon protest of district taxpayer-electors. Section 73-21-55. The governing board of a district can also elect to place the district under Commission regulation of all of its rates, service and financing under the Public Utility Act. Id. Otherwise, the Commission has only the limited authority described above under the Water and Sanitation District Act.

In 1987, the Legislature expanded the Commission's duties by charging it with regulation of rates and service of sewer utilities. Previously unregulated, these utilities' rates and service now are regulated like those of water utilities. N.M. Laws 1987, Ch.52.

In the natural gas area, Commission authority has changed over the past two years. The 1984 Legislature passed and the 1985 Legislature continued Commission authorization to regulate the price charged for intrastate gas transportation by public utilities and to enforce the legislative mandate for such transportation. N.M. Laws 1984, Ch.123, Section 7; N.M. Laws 1985, Ch.8, Section 1, codified at NMSA 1978, Section 62-6-4.1 (Cum.Supp.1986). The 1985 Legislature also allowed the expiration of the Commission's authority to regulate certain intrastate wellhead gas prices under the 1984 New Mexico Natural Gas Price Protection Act. See, N.M. Laws 1984, Ch.123, Section 15.

The 1987 Legislature amended the Commission's statutory authority over intrastate gas transportation. The amendments prohibit gas utilities from marketing and brokering natural gas and gives the Commission authority to assess a civil penalty against violators of the statute's requirements for gas transportation. N.M. Laws 1987, Ch.93.

A 1982 amendment to the Public Utility Act changed the method of judicial review of final orders of the Commission NMSA 1978, Sections 62-11-1 to -7 (Repl.Pamp.1984). The amendment provides for direct appeal from proceedings under the Act to the State Supreme Court by any party to the proceedings. Prior to the amendment, judicial review was through a petition to the District Court with an appeal lying to the State Supreme Court from the District Court judgment. N.M. Laws 1965, Ch.289.

A public utility must have prior approval by the Commission for the issuance of stocks and issuance of long term securities. NMSA 1978, Sections 62-6-6, -8, -8.1 (Repl.Pamp.1984). No person may operate as a utility without obtaining from the Commission a Certificate of Public Convenience and Necessity which is, in effect, a license to do business that only the Commission may issue. NMSA 1978, Sections 62-9-1 (Repl. Pamp.1984). A certificate is also required for certain extensions of service territory and certain additions of plant and facilities. NMSA 1978, Sections 62-9-1 to -3 (Repl.Pamp.1984). Since 1971, the Commission must approve the location of large electric generating stations and transmission lines from an environmental standpoint. NMSA 1978, Section 62-9-3 (Repl.Pamp.1984). The Commission also has certain specified authority to examine the books and records of business entities that are affiliates of public utilities. NMSA 1978, Sections 62-6-17, -19 (Repl.Pamp.1984).

In 1982, a law was passed which placed a moratorium on diversification activities by public utilities. N.M. Laws 1982, Ch.109. An interim legislative committee was established to study the diversification issue and the Commission was ordered to adopt regulations governing diversified activities by November 30, 1982. The Commission complied with this requirement by promulgating and adopting General Order No. 39. In 1983, the Legislature allowed the moratorium on diversification activities to expire. Id. The 1983 Legislature also amended the Act to provide the Commission with authority to require wheeling by electric utilities upon complaint by another electric utility. NMSA 1978, Section 62-6-5 (Repl.Pamp.1984). The Commission is required to apply federal standards in ruling on each complaint. Wheeling is defined as the use of transmission facilities of one utility system to transmit power of and for another utility system. In 1983, the Act was also amended to make it more difficult to receive a stay of a Commission order on appeal. NMSA 1978, Section 62-11-6 (Repl.Pamp. 1984).

## TABLE 1
### Summary of Rate Requests
### Chronologically

| Case No. | Company | Type Service | Date Filed | Final Order | Amount Requested | Amount Granted | Rate Base | RoRb† % | RoE‡ % |
|---|---|---|---|---|---|---|---|---|---|
| 2155 | JAL | G | 10/09/87 | 05/16/88 | $ 97,812 | $ 23,148 | $ 454,526 | 12.09 | 15.0 |
| 2214 | RWW | W | 06/16/88 | Pending | 14,445.45 | ND | 271,130 | 3.19 | ND |
| 2202 | AWC | W | 04/25/88 | Pending | 1,004,985 | ND | 13,416,507 | 7.573 | ND |
| 2176 | CEC | E | 12/04/87 | Pending | 419,469 | ND | *ND | ND | ND |
| 2166 | RGU | W | 12/11/87 | Pending | 95,930 | ND | *ND | ND | ND |
| 2165 | DWC | W | 12/04/87 | 06/07/88 | 7,917 | 7,917 | 20,711 | 8.94 | 8.94 |
| 2163 | SPS | E | 11/24/87 | 12/21/87 | −2,650,000 | −2,650,000 | *ND | ND | ND |
| 2162 | EPE | E | 11/20/87 | Pending | 5,526,590 | ND | *ND | ND | ND |
| 2154 | SPU | W | 09/29/87 | Pending | 134,266 | ND | 956,668 | 9.34 | 9.25 |
| 2147 | GNM | G | 08/28/87 | Pending | ND | ND | *ND | ND | ND |
| 2138 | PGT | E | 06/29/87 | 04/18/88 | 25.24 mills/KWH | ND | 25.24 mills/KWH | ND | ND |
| 2122 | RGE | E | 04/16/87 | 03/07/88 | 65,334 | 60,244 | 982,458 | 9.15 | 9.00 |
| 2099 | MSM | E | 03/03/87 | 01/27/88 | 230,000 | 204,413 | 6,817,761 | 7.91 | ND |
| 2092 | EPE | E | 01/30/87 | 11/02/87 | 13,894,037 | 5,019,468 | 64,149,037 | 11.3 | 10.73 |

*ND = Not Determined
†RoRb = Rate of Return on Rate Base
‡RoE = Rate of Return on Equity

**Rule 540 (G.O. 46)**
1. Southwestern Electric Cooperative, Inc. (no protests)
2. Mora–San Miguel Electric Cooperative (See Case No. 2099)
3. Jemez Mountains Electric Cooperative (no protests)
4. Plains Generation & Transmission (See Case Nos. 2194-2193)
5. Farmers' Electric Cooperative (See Case No. 2111)

**Rule 810 (G.O. 47)**
Nothing in 1987–1988.

**Rule 770 (G.O. 48)**
1. Indian Hills Water Company (no protests)
2. Jornada Water Company (rejected non-compliance)
3. El Dorado Utilities, Inc. (insufficient protests)
4. Rio Grande Utilities (Case No. 2156)

## TABLE 2
### Investor Owned Electric Utility Statistics

| Customer Class | | Residential | | | Other | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Calendar Year | | 1985 | 1986 | 1987 | 1985 | 1986 | 1987 | 1985 | 1986 | 1987 |
| Total Average Number of Customers | | 369,465 | 381,091 | 405,239 | 53,479 | 55,538 | 60,995 | 422,944 | 436,629 | 466,234 |
| KWH Sales (Thousands) | | 2,271,158 | 2,317,806 | 2,443,805 | 6,046,947 | 6,212,515 | 8,752,423 | 8,318,105 | 8,530,321 | 11,196,228 |
| Gross Revenues | | $194,667,949 | $204,172,219 | $218,308,854 | $397,881,785 | $418,355,018 | $509,475,876 | $592,549,734 | $622,527,237 | $727,784,730 |
| Avg. Annual KWH per Customer | (1) | 6,147 | 6,082 | 6,031 | 113,071 | 111,861 | 143,494 | 19,667 | 19,537 | 24,014 |
| Avg. Annual Bill per Customer | (2) | $526.89 | $535.76 | $538.72 | $7,439.96 | $7,532.77 | $8,352.75 | $1,401.01 | $1,425.76 | $1,560.99 |
| Avg. Monthly Bill per Customer | (3) | $43.91 | $44.65 | $44.89 | $620.00 | $627.73 | $696.06 | $116.75 | $118.81 | $130.08 |
| Avg. Gross Revenue per KWH Sold | (4) | $0.0857 | $0.0881 | $0.0893 | $0.0658 | $0.0673 | $0.0582 | $0.0712 | $0.0730 | $0.0650 |

Notes: 1) Sales KWH / Average number of customers
2) Gross Revenues / Average number of customers
3) Average Annual Bill per Customer / 12 months
4) Gross Revenues / Sales KWH

## TABLE 3
### Rural Electric Cooperative Utility Statistics

| Customer Class | | Residential | | | Other | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Calendar Year | | 1985 | 1986 | 1987 | 1985 | 1986 | 1987 | 1985 | 1986 | 1987 |
| Total Average Number of Customers | | 102,606 | 104,349 | 104,388 | 27,551 | 27,452 | 26,268 | 130,157 | 131,801 | 130,656 |
| Sales (Thousands of Kwh) | | 581,167 | 569,049 | 568,309 | 1,865,724 | 1,840,122 | 1,107,757 | 2,446,891 | 2,409,171 | 1,676,066 |
| Gross Revenues | | $54,391,240 | $59,029,480 | $60,027,240 | $129,604,827 | $139,681,679 | $115,392,337 | $183,996,067 | $198,711,159 | $175,419,577 |
| Avg. Annual Kwh per Customer | (1) | 5,664 | 5,453 | 5,444 | 67,719 | 67,031 | 42,171 | 18,800 | 18,279 | 12,828 |
| Avg. Annual Bill per Customer | (2) | $530.10 | $565.69 | $575.04 | $4,704.18 | $5,088.22 | $4,392.89 | $1,413.65 | $1,507.66 | $1,342.61 |
| Avg. Monthly Bill per Customer | (3) | $44.17 | $47.14 | $47.92 | $392.01 | $424.02 | $366.07 | $117.80 | $125.64 | $111.88 |
| Avg. Gross Revenue per Kwh Sold | (4) | $0.0936 | $0.1037 | $0.1056 | $0.0695 | $0.0759 | $0.1042 | $0.0752 | $0.0825 | $0.1047 |

Notes: 1) Sales KWH / Average number of customers
2) Gross Revenues / Average number of customers
3) Average Annual Bill per Customer / 12 months
4) Gross Revenues / Sales KWH

## TABLE 4
## Gas Utility Statistics

| Customer Class | | Residential | | | Other | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Calendar Year | | 1985 | 1986 | 1987 | 1985 | 1986 | 1987 | 1985 | 1986 | 1987 |
| Total Average Number of Customers | | 296,632 | 300,795 | 307,141 | 32,797 | 32,994 | 33,405 | 329,429 | 333,789 | 340,546 |
| MCF Sales | | 19,344,968 | 21,505,726 | 24,453,728 | 33,230,401 | 27,522,258 | 22,699,393 | 52,575,369 | 49,027,984 | 47,153,121 |
| Gross Revenues | | $118,740,910 | $123,713,436 | $120,853,378 | $144,188,442 | $112,356,988 | $88,543,582 | $262,929,352 | $236,070,424 | $209,396,960 |
| Avg. Annual MCF per Customer | (1) | 65 | 71 | 80 | 1,013 | 834 | 680 | 160 | 147 | 138 |
| Avg. Annual Bill per Customer | (2) | $400.30 | $411.29 | $393.48 | $4,396 | $3,405 | $2,651 | $798.14 | $707.24 | $614.89 |
| Avg. Monthly Bill per Customer | (3) | $33.36 | $34.27 | $32.79 | $366 | $284 | $221 | $66.51 | $58.94 | $51.24 |
| Avg. Gross Revenue per MCF Sold | (4) | $6.14 | $5.75 | $4.94 | $4.34 | $4.08 | $3.90 | $5.00 | $4.82 | $4.44 |

Notes: 1) Sales MCF / Average number of customers
2) Gross Revenues / Average number of customers
3) Average Annual Bill per Customer / 12 months
4) Gross Revenues / Sales MCF

*Sales customers only
Does not include transportation gas.

## TABLE 5
## Water Utility Statistics

| Customer Class | | Residential | | | Other | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Calendar Year | | 1985 | 1986 | 1987 | 1985 | 1986 | 1987 | 1985 | 1986 | 1987 |
| Total Average Number of Customers | | 47,149 | 50,117 | 52,431 | 7,825 | 9,711 | 10,023 | 54,974 | 59,828 | 62,454 |
| Sales (Thousands of Gallons, MG) | | 4,970,261 | 6,398,390 | 6,670,091 | 2,676,016 | 2,911,059 | 2,690,229 | 7,646,277 | 9,309,449 | 9,360,320 |
| Gross Revenues | | $11,991,089 | $14,893,327 | $16,082,483 | $5,969,170 | $7,414,983 | $7,523,994 | $17,960,259 | $22,308,310 | $23,606,477 |
| Avg. Annual MG per Customer | (1) | 105 | 128 | 127 | 342 | 300 | 268 | 139 | 156 | 150 |
| Avg. Annual Bill per Customer | (2) | $254.32 | $297.17 | $306.74 | $762.83 | $763.57 | $750.67 | $326.70 | $372.87 | $377.98 |
| Avg. Monthly Bill per Customer | (3) | $21.19 | $24.76 | $25.56 | $63.57 | $63.63 | $62.56 | $27.23 | $31.07 | $31.50 |
| Avg. Gross Revenue per MG Sold | (4) | $2.41 | $2.33 | $2.41 | $2.23 | $2.55 | $2.80 | $2.35 | $2.40 | $2.52 |

Notes: 1) Sales MG / Average number of customers
2) Gross Revenues / Average number of customers
3) Average Annual Bill per Customer / 12 months
4) Gross Revenues / Sales MG

## TABLE 6
## Number of Complaints by Utility Type
## 1987–1988

| Utility Type | Service | Tariff | Billing | Danger | Miscellaneous | Total |
|---|---|---|---|---|---|---|
| Investor-Owned Electric | 142 | 17 | 96 | 5 | 3 | 263 |
| Investor-Owned Natural Gas | 85 | 11 | 30 | 2 | 2 | 130 |
| Rural Electric Cooperative | 51 | 10 | 49 | 2 | 4 | 116 |
| Investor-Owned Water | 25 | 30 | 37 | 4 | 3 | 99 |
| Water and Sanitation District | 0 | 1 | 0 | 0 | 0 | 1 |
| Submetering | 4 | 0 | 1 | 0 | 2 | 7 |
| Uncertified or No Jurisdiction | 18 | 1 | 19 | 0 | 10 | 48 |

## New Mexico Public Service Commission Available Brochures

The New Mexico Public Service Commission publishes brochures to help the public understand the functions of the Commission, their own utility bills, and what steps can be taken to conserve energy. The brochures available upon request are:

- *The New Mexico Public Service Commission, What It Is, and How It Works*
- *Utility Ratemaking and the New Mexico Public Service Commission*
- *Customer Rights and Responsibilities* (G.O. 34 "Consumer Bill of Rights")
- *Understanding Your Utility Bill*
- *Energy Conservation and Your Utility Bill*

For copies or further information, please contact:

New Mexico Public Service Commission
Tariff and Compliance Department
Marian Hall
224 East Palace Ave.
P.O. Box 2205
Santa Fe, New Mexico 87504-2205
(505) 827-6940

55645-1-U

# Forty-Fifth Annual Report of the New Mexico Public Service Commission

October 1, 1989

New Mexico Public Service Commission
Marian Hall
224 East Palace Avenue
P.O. Box 2205
Santa Fe, New Mexico 87504-2205
(505) 827-6940
FAX (505) 827-6973

New Mexico Public Service Commission
Forty-Fifth Annual Report
Historical Status Report
77th Fiscal Year
July 1, 1988 – June 30, 1989
Future Directions and Suggestions
July 1, 1989 – June 30, 1990

Compiled by:
Tom Halpin, Production
Lina Garcia, Writing and Supervision
Steve Meyer, Tables
Barbara Rael, Typing
Angela Romero and Forrest McDowell, Compilation
Editors, The Commissioners

# NEW MEXICO PUBLIC SERVICE COMMISSION

POST OFFICE BOX 2205
SANTA FE, NEW MEXICO
87504-2205
(505) 827-6940

GARREY CARRUTHERS
GOVERNOR

MARIAN HALL, 224 EAST PALACE AVE., SANTA FE, NM 87501

JOSEPH E. SAMORA, JR.
CHAIRMAN
MARTIN J. BLAKE
COMMISSIONER
S. PETER BICKLEY
COMMISSIONER

October 1, 1989

The Honorable Garrey Carruthers
Governor
State of New Mexico
State Capitol Complex
Santa Fe, New Mexico 87503

Dear Governor Carruthers:

Pursuant to and in compliance with NMSA 1978, Section 62-6-2 (Repl.Pamp.1984), it is my pleasure and honor to make to you, for transmission to the Legislature, the Forty-Fifth Annual Report on the acts and doings of the New Mexico Public Service Commission. This Annual Report sets forth certain suggestions for the best interests of the State including the protection of both utility consumers and investors, as well as the encouragement and development of industry within New Mexico.

Respectfully submitted,

J E Samora

JOSEPH E. SAMORA, JR.
Chairman

JES Jr/ts

# Table of Contents


| | Page |
|---|---|
| Mission Statement | 1 |
| The Commissioners | 1 |
| Significant Events | 1 |
| Commission Organizational Units | 5 |
| Organizational Chart | 6 |
| Receipts and Disbursements | 7 |
| Public Utilities Regulated | 8 |
| Matters Considered | 9 |
| Future Directions | 11 |

**Appendix**

| | |
|---|---|
| Statutory Duties and Authorities | 14 |
| Table 1: Rate Requests | 15 |
| Table 2: Investor Owned Electric Utility Statistics | 15 |
| Table 3: Rural Electric Cooperative Utility Statistics | 16 |
| Table 4: Gas Utility Statistics | 16 |
| Table 5: Water Utility Statistics | 16 |
| Table 6: Number of Complaints | 17 |
| NMPSC Available Brochures | 18 |

## Mission Statement

The New Mexico Public Service Commission is charged by the Public Utility Act with the regulation of the rates and services provided by investor owned natural gas, electric, water and sewer utilities and by rural electric cooperatives in New Mexico. The Commission also regulates the rates of water and sanitation districts. The Commission's duties include setting utility rates, setting standards for acceptable service, approving construction of additional generating plant and transmission facilities, approving the issuance of securities by public utilities, the hearing and settlement of complaints, and ensuring compliance with Commission orders and rules. The Commission must balance the interests of utility customers and utility shareholders to assure adequate, efficient and reasonable services are available to the public at fair, just and reasonable rates; that construction, development and extension of utility services is done without unnecessary duplication or waste; and that the utilities are able to attract investment capital for the plants and facilities which are to render these services.

## The Commissioners

**Joseph E. Samora, Jr., Chairman:** Born September 6, 1955, in Albuquerque, New Mexico; University of New Mexico (BA, JD); judicial law clerk to the New Mexico Supreme Court (1982–84), private law practice with the Albuquerque firm of Butt, Thornton and Baehr, P.C. (1984–85), Administrative Assistant and Counsel to the Chief Justice of New Mexico Supreme Court (1986); Chairman, American Bar Association/ Young Lawyers Division, Public Utility Law Committee (1987–88), member of National Association of Regulatory Utility Commissioners Water Committee, featured as one of "20 Young Lawyers Who Make A Difference" in the United States by the American Bar Association, Summer Edition, *Barrister* Magazine (1988), appointed member of Electricity Committee of the American Bar Association's Public Utility Law Section (1989–90); assumed Commissionership January 16, 1987, current term ends January 15, 1993.

**Martin J. Blake, Commissioner:** Born March 16, 1948, in Chicago, Illinois; Illinois Benedictine (BA Economics), University of Missouri (MA Economics, PhD Agricultural Economics); U.S. Army Captain (1975–76), Professor at New Mexico State University (1977–87), Policy Analyst for U.S. Department of Interior (1983), member of National Association of Regulatory Utility Commissioners Finance and Technology Committee, chairman of Western Conference of Public Service Commissioners Electric Committee. Author; assumed Commissionership January 20, 1987, current term ends January 15, 1991.

**S. Peter Bickley, Commissioner:** Born September 27, 1931, in El Paso, Texas; Colorado School of Mines, Harvard Business School (MBA); Lieutenant in U.S. Corps of Engineers (1954–56), Engineer for Shell Oil Company (Exploration and Production) (1953–65), Manager for The First Church of Christ Scientist, in Boston (1966–80), Officer and Director of Calvin Exploration, Inc., in Santa Fe (1981–85); Society of Petroleum Engineers; Rocky Mountain Association of Geologists; American Gas Association; Director, Capital City AARP. Assumed Commissionership February 17, 1987, term ended January 15, 1989. Reappointed January 17, 1989, current term ends January 15, 1995.

## Significant Events

### Docket Control Program

The Commission continued with its Docket Control Program initiated in February, 1987. The purpose of the program is to reduce the number of long-standing cases and to ensure that all cases are decided in a timely manner. This year has seen a continued fulfillment of that objective.

The Commission processed a total of 88 cases during the year including 42 of the 45 cases that were pending on July 1, 1988. This compares with an average total of 64 cases processed per year in the five-year period before this Commission took office.

As of June 30, 1989, only 3 of the 22 cases on the docket were more than a year old. This compares with a total of 28 cases of the 67 cases on the docket that were more than a year old when the Commission took office.

### PNM Coal Costs Cases (Case Nos. 1811 and 2191)

The oldest case on the Commission's active docket at this time, Case No. 1811, was concluded with the issuance, after extensive hearings, of the Commission's Final Order on January 17, 1989. This case commenced on April 18, 1983, when the Commission initiated an inquiry into the overall reasonableness of the price and contract conditions of PNM's coal supply arrangement with the San Juan Coal Company, an affiliate of PNM for the year 1982. This arrangement was for the purpose of supplying coal to PNM's San Juan Generating Station.

The principal issue was whether PNM's ratepayers or the Company's shareholders were entitled to the proceeds from the royalties resulting from the sale of the coal in question. In its Final Order, the Commission found that these coal costs were reasonable and rejected the refunds proposed in the case by the Attorney General and the Commission Staff.

Case No. 2191, a companion case to Case No. 1811, was also concluded. The Attorney General began Case No. 2191 with the filing of his Complaint seeking Commission Investigation and Refund of Fuel Overcharges on March 7, 1988. That Complaint requested the Commission to extend the investigation of the coal costs that were the subject of the inquiry in Case No. 1811 to all such costs incurred since the year 1982.

The Commission reserved ruling on whether the requested investigation should be commenced until after the outcome of Case No. 1811. After the decision in that case, the Commission directed the Attorney General to advise the Commission whether he still desired to pursue a formal investigation in Case No. 2191 in view of the outcome of Case No. 1811 and, if so, why. After the Attorney General responded in the affirmative, the Commission issued its Order Dismissing Complaint on March 20, 1989. In that Order, the Commission

found that the requested investigation should not be undertaken because the issues were identical to those in Case No. 1811, and because those issues had already been decided in PNM's favor. The Attorney General's Complaint was therefore dismissed.

### Palo Verde Nuclear Generation Station (PVNGS) Prudence Investigation (Case No. 2087)

On January 14, 1987, the Commission docketed an investigation (Case No. 2087) into the prudence of Public Service Company of New Mexico's (PNM) investment in PVNGS. The investigation was held in abeyance pending the outcome of Case No. 2146. On September 2, 1988, the Commission reactivated Case No. 2087 upon withdrawal of PNM's Application for the approval of proposed reorganization and restructuring in Case No. 2146.

On January 30, 1989, PNM filed ninety-one (91) volumes of testimony and exhibits relating to the system planning issues and to other issues in this case except for the construction cost issues.

On May 31, 1989, PNM and the Commission Staff filed a stipulation which if adopted by the Commission would settle all the issues in this case. A hearing on the stipulation is scheduled to begin on October 2, 1989.

### PNM Excess Capacity Case (Case No. 2146, Part II)

On August 17, 1988, PNM filed a Motion to Withdraw Application and Terminate Proceedings in its proposed reorganization and restructuring case. In the Motion, PNM declared its intention to file a traditional rate case and seek the inclusion of all or portions of Palo Verde Units 1, 2 and 3 as well as San Juan Unit 4 in rates.

On September 2, 1988, the Commission issued an Order Granting PNM's request to terminate that part of its case which requested Commission authorization to reorganize and restructure. However, the Commission found that the public interest required this case to remain on the docket for the purpose of considering issues relative to PNM's excess capacity, including alternatives to the inventory methodology. Thereafter, the case was referred to as NMPSC Case No. 2146, Part II. From October 31, 1988 to December 15, 1988 the Commission held hearings on the merits.

On April 5, 1989, the Commission issued a Final Order ruling that PNM cannot, at a minimum, charge $306.5 million of their $1.2 billion investment in Palo Verde to New Mexico ratepayers. This was accomplished by excluding from jurisdictional rates all of Palo Verde Unit 3. The Commission thereby rejected PNM's plan that would have increased rates by 34% over the next ten years. In addition, the Commission also excluded 130 Megawatts of San Juan Unit 4 and 105 Megawatts of the Modesto–Santa Clara–Redding Contract from New Mexico rates. Although Palo Verde Units 1 and 2 were not permanently excluded, the Commission held that PNM would not necessarily earn a full return on them. The actual dollar impact of these units on rates would be determined in PNM's forthcoming rate case.

On April 19, 1989, NMIEC appealed this Final Order to the Supreme Court in Docket No. 18,381. On May 5, 1989, the Attorney General appealed in Docket No. 18,415. On May 18, 1989, the Supreme Court granted the Commission's motion to consolidate these cases.

### PNM Rate Case (Case No. 2262)

Based on the Commission's Final Order in Case No. 2146 Part II, PNM filed a rate case on June 12, 1989. PNM is proposing to increase rates immediately by 3.37% and to phase-in Palo Verde Units 1 and 2 over a ten-year period. Hearings on this case are set to begin on November 13, 1989.

### Gas Company of New Mexico (Case No. 2147)

On August 8, 1988, the Commission issued its Final Order in Case No. 2147, granting Gas Company of New Mexico an increase in base rates of $9,867,840. Gas Company's original request was for an increase of $18,335,084. The rate increase was the first for Gas Company since the year 1984 and also its first since becoming a division of Public Service Company of New Mexico.

Significantly, the Final Order established the unbundling of transportation rates as allowed by the Natural Gas Transportation Rule (NMPSC Rule 660). Transportation services were separated into four categories: gathering, transmission, storage and distribution. Transportation customers are permitted to opt and pay for only those services they select. The Commission's order also established interim standby rates as well as rates and conditions for emergency gas service.

Gas Company appealed the portion of the Commission's Final Order establishing a transportation standby rate to the New Mexico Supreme Court. Upon agreement of the Commission and Gas Company, the appeal was subsequently dismissed and the parties stipulated to a standby rate which was approved by the Commission.

### Economic Development Rates

On November 21, 1988, in Case No. 2225, the Commission adopted NMPSC Rule 590 which permits electric utilities to provide economic development rates using their excess capacity to qualified customers in their service areas. Economic development rates are discount rates which apply to energy usage above a customer's established historical usage. Participation by utilities is voluntary. Utilities can offer economic development rates only as long as they have surplus capacity. Customers must demonstrate additions to employment or additional purchases of capital equipment to qualify for these discount rates.

On December 6, 1988, the Attorney General appealed this rule to the New Mexico Supreme Court.

During the 1989 Legislature, House Bill 210 was introduced by Speaker of the House Raymond Sanchez, and was passed as amended. This legislation confirmed the Commission's authority to offer special rates in order to prevent the loss of customers, to encourage customers to expand present facilities

and operations in New Mexico, to attract new customers and to promote economic development in New Mexico. The amended bill was signed by Governor Carruthers on February 23, 1989.

Thereafter, the Commission filed a motion with the Supreme Court to dismiss the Attorney General's appeal of the Economic Development Rule. On April 12, 1989, the Supreme Court granted the Commission's Motion, dismissed the appeal and remanded the case to the Commission.

On June 19, 1989, the Commission adopted changes to NMPSC Rule 590 which made the Rule consistent with House Bill 210, as amended.

## Supreme Court Cases

In addition to Case Nos. 2146, 2147 and 2225, the Supreme Court also reviewed two other Commission cases, Case Nos. 2048 and 2183.

In Case No. 2048, the New Mexico Supreme Court issued an opinion affirming the Commission's decision on May 31, 1989. In Otero County Electric Cooperative, Inc. v. New Mexico Public Service Commission, S.Ct. No. 17,831, the Supreme Court upheld the Commission's determination that Otero's demand metering program was unjust and unreasonable. The Court also stated that the Commission properly severed this issue from a rate case and that Otero continued to have the burden of proving that its rate structure was just and reasonable.

As to Case No. 2183, the New Mexico Industrial Energy Consumers ("NMIEC") filed a Petition in Supreme Court Docket No. 18,355, seeking Writ of Prohibition and Mandamus and Request for Emergency Relief (Supreme Court Case No. 18,355). NMIEC's Petition sought a Writ of Prohibition directing the Commission to stay its proceedings in NMPSC Case Nos. 2147 (Remand) and 2183, and a Writ of Mandamus requiring the Commission to renotice and reopen for intervention both cases. NMIEC argued that the public notices for both cases had been inadequate and therefore failed to provide proper notice to interested parties such as NMIEC. The Commission opposed NMIEC's Petition, arguing that NMIEC's attempts to intervene in both cases were extremely late in contravention of Commission rules, that notice had been complete and proper in both cases, and pointing out that NMIEC had already intervened in Case No. 2147 (Remand) but was later removed as a party for nonparticipation. On April 12, 1989, after oral argument, the Supreme Court denied NMIEC's Petition. Case No. 2147 (Remand) was later concluded by a Stipulation approved by the Commission.

On May 15, 1989, NMIEC filed a Notice of Appeal (Supreme Court Case No. 18,438). This appeal was taken from the denial by a Commission Hearing Examiner of NMIEC's Motion for Late Intervention in NMPSC Case No. 2183. NMIEC maintained that the Hearing Examiner's action, together with the Commission's denial of NMIEC's requested interlocutory appeal therefrom, constituted a final Commission order. The Commission filed a Motion to Dismiss this appeal on June 28, 1989, in which it argued that there was no final Commission order from which to appeal and that, in any event, the issues before the Court in this case were identical to those the Court had decided against NMIEC in Supreme Court Docket No. 18,355 the previous April. The Commission also requested the Court to dismiss the appeal because changes in the procedural posture of Case No. 2183 had rendered NMIEC's appeal moot. On August 9, 1989, after oral argument, the Supreme Court denied the Commission's Motion. Both Commission Case No. 2183 and Supreme Court Docket No. 18,438 remain pending.

## Sewer Certifications

The 1987 Legislature amended the Public Utility Act to provide for the regulation and certification of private sewer utilities by the Commission. On November 2, 1987, the Commission issued an Order requiring each known sewer utility, under the jurisdiction of the Commission, to file an application for a certificate of public convenience and necessity on or before December 21, 1987. The Commission prescribed the minimum filing requirements to be included with the application. The Commission received eight applications from private sewer utilities requesting a certificate of public convenience and necessity. Each sewer utility was inspected to determine compliance with the legislation and all were granted certificates of public convenience and necessity.

## Computerize Commission Functions

A computer program was developed and implemented to calculate utility Inspection and Supervision Fees and any penalties and interest, to invoice utilities for these fees on a quarterly basis and to monitor collection of fees. Inspection and Supervision Fees raise approximately $5.8 million in revenues for the State's General Fund. Another program was developed to collect and summarize utility annual report sales data.

A case summary database was developed which can be searched by case number, type of utility, utility name, type of case, intervenors or selected keywords. This database contains a one-sentence description of the case, a case narrative, compliance requirements and summary rate information for rate cases.

The Code of Rules and Regulations of the New Mexico Public Service Commission (1988 annotated) also was converted into a database searchable by computer.

The Commission has developed the ability to access the Federal Energy Regulatory Commission (FERC) electronic bulletin board service which provides timely access to the latest FERC daily issuances, press releases and Commission agenda. The Commission also developed the ability to access the National Association of Regulatory Utility Commissioners electronic bulletin board.

In the administrative area, the Commission was among the first state agencies to switch over from a manual system to the statewide MSA automated accounting system which will eventually be used by all State agencies.

## Simplification/Paperwork Reduction

In April 1988, the Commission initiated a project to simplify and reduce the reporting requirements of utilities under its jurisdiction. The objectives were to eliminate reports or elements of reports duplicated elsewhere or no longer required.

The process included surveys and workshops which produced comments and suggestions from Commission and utility Staffs.

The process was completed on December 19, 1988, with a Commission Final Order in NMPSC Case No. 2232. The new requirements went into effect on January 1, 1989. It is projected this simplification will result in a 50% reduction in the number of report pages filed annually by regulated utilities.

A 34% reduction in the number of reports required has been achieved through elimination of duplicate or outdated reports. In addition, 38% of the reports previously required have been simplified or consolidated by using comparable federal documents and consolidating due dates.

## Merger and Acquisition Authority

Although not a Commission initiative, the 1989 Legislature amended NMSA 1978, Section 62-6-12, which relates to the Commission's authority to approve proposed acquisitions, consolidations, mergers, etc., involving public utilities regulated by the Commission. The amendment clarified Commission authority in this area by requiring Commission review of such transactions undertaken by both in-state and out-of-state entities to determine whether these transactions are lawful and consistent with the public interest, and by expressly requiring prior Commission approval of such transactions. N.M. Laws 1989, Ch. 33.

# Commission Organizational Units

The Public Service Commission is organized into seven technical sections and three administrative support sections, excluding the Commissioners. The seven technical sections are: Commission Counsel, Hearing Examiners, Staff Counsel, Economics, Electrical Engineering, Water, Gas and Sewer Engineering and Accounting. The three administrative support sections are: Administrative, Informations Systems and Operations. A brief description of the functions each section performs follows:

**Commission Counsel:** Act as general legal counsel to the Commission, providing legal advice to the Commissioners. Their duties include researching and drafting Commission orders and opinions as well as defending them in court appeals. Commission Counsel draft and evaluate legislation. They also provide assistance to the Executive Director in contract matters and intra-agency and inter-governmental legal matters.

**Hearing Examiners:** Conduct proceedings as presiding officers when appointed to do so by the Commission. Establish procedures and details for the conduct of proceedings, ensure that a full and adequate record is established, make rulings on procedural matters, conduct hearings, certify any stipulations negotiated by parties to the Commission, and make recommended decisions to the Commission including findings of fact and conclusions of law on all assigned cases.

**Staff Counsel:** Provides legal advice to the staff, assists in development of staff's positions, represents the staff in adversarial hearings before the Commission and represents Commission on appeals or other court proceedings. Assists in the review and implementation of legislation, rules and regulations. Provides legal advice to staff with respect to personnel, contracts, budgets, etc.

**Economics:** Evaluates financial markets and cost of capital issues; conducts rate of return analyses, cost of service studies and rate design analyses; makes supply and demand forecasts and production costs studies; reviews various filings; and submits expert testimony on these issues as necessary.

**Electrical Engineering:** Performs analysis and provides expert testimony on issues related to electric utilities; including plant design, specifications, capacity, reliability, depreciation rates, utility expenses and certificates of public convenience and necessity. Develops rate base, cost of service, revenue requirements, computer simulations of system operations and costs. Assists in other interdisciplinary analysis as required. Develops and implements staff policy regarding rates, filing requirements and procedures. Evaluates various utility filings including fuel and plant costs, affiliate transactions, etc. Provides technical support to Tariff and Compliance section.

**Water, Gas and Sewer Engineering:** Performs analysis and provides expert testimony on issues related to water, gas and sewer utilities; including plant design, specifications, capacity, reliability, depreciation rates, utility expenses and certificates of public convenience and necessity. Develops rate base, cost of service, revenue requirements, computer simulations of system operations and costs. Assists in other interdisciplinary analysis as required. Develops and implements staff policy regarding rates, filing requirements and procedures. Evaluates various utility filings including fuel and plant costs, affiliate transactions, etc. Provides technical support to Tariff and Compliance section.

**Accounting:** Audits the books and records of jurisdictional utility companies. Evaluates accounting procedures utilized by companies and submits recommendations to the Commission via expert prefiled testimony. Advises the Commission on the implications of new accounting releases and standards. Verifies the accuracy and completeness of accounting information submitted by utility companies. Ensures that utilities' cost of service accounting entries are just and reasonable.

***Administrative:*** Performs and supervises preparation of Commission annual budget; also responsible for budget control, accounts payable, accounts receivable, insurance, contracts, inventory, and purchasing. In addition, it has overall responsibility for all personnel matters.

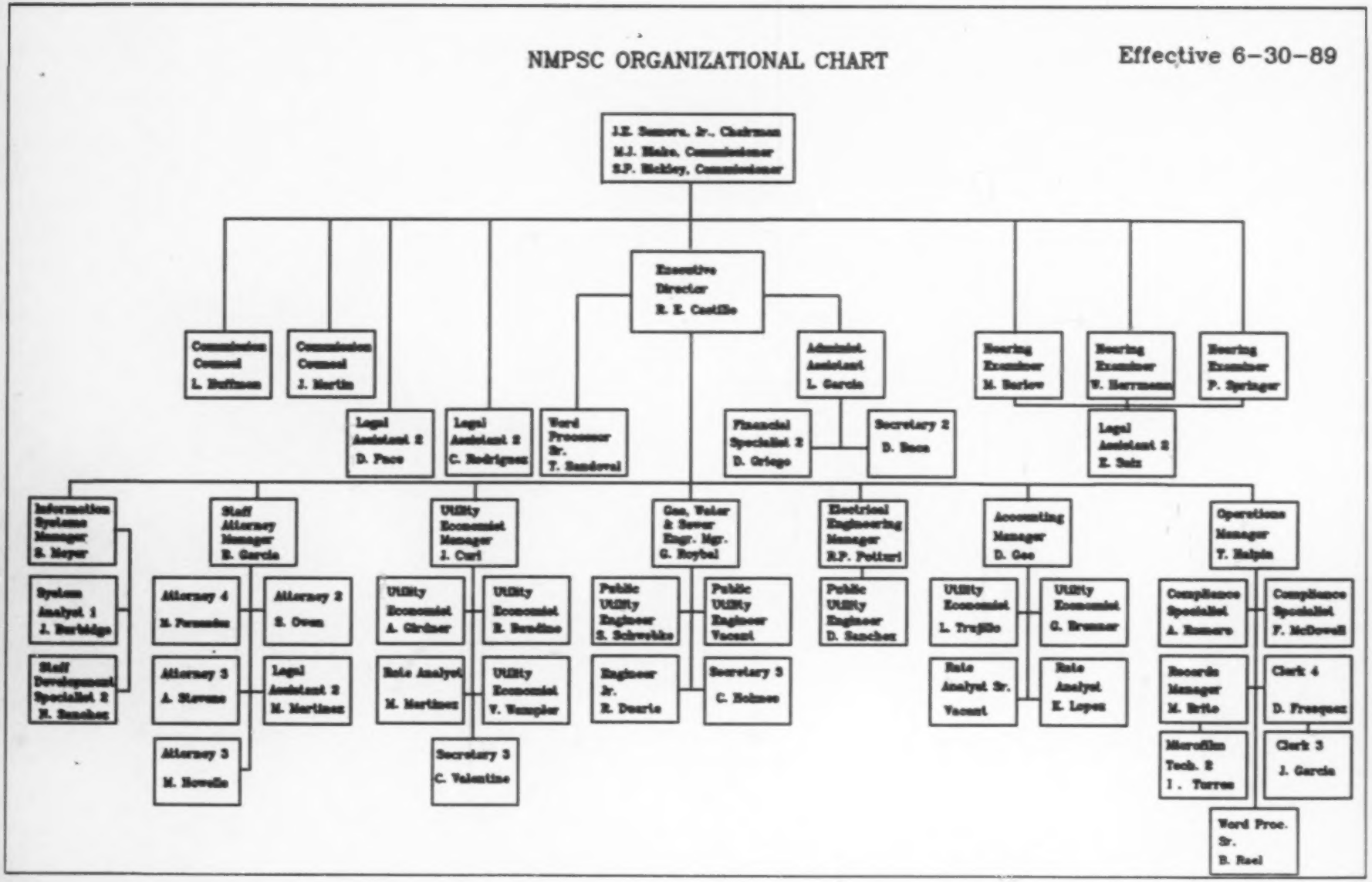
***Information Systems:*** Responsible for the operation and maintenance of the Commission's computer and information system resources. Program planning, development and implementation is coordinated to support staff case assignments and management objectives.

***Operations:***

***Records Management:*** Maintains Commission case record files and general files. Also receives rates, rules and forms filed by utilities; maintains Commission docket and publishes and distributes daily pleadings log and matters pending log.

***Tariff and Compliance:*** Ensures compliance with Commission rules, regulations and policy. Monitors utilities regarding timely filing and compliance of service Rules; provides information, education and provides assistance to consumers who are unable to resolve filing and service problems; testifies on issues as necessary.

# ORGANIZATION CHART



## STATE OF NEW MEXICO
## PUBLIC SERVICE COMMISSION
## STATEMENT OF RECEIPTS AND DISBURSEMENTS*

**77th Fiscal Year**
**July 1, 1988 through June 30, 1989**

| | |
|---|---|
| RECEIPTS | |
| General Fund Appropriation | $2,618.5 |
| Special Appropriation | 197.0 |
| Inspection and Supervision Fees | 5,826.0 |
| Filing Fees | 1.5 |
| Sales of Misc. Documents and Publications | 3.6 |
| Penalty and Interest | .6 |
| Total Receipts | $8,647.2 |
| DISBURSEMENTS | |
| Personal Services | $1,483.3 |
| Employee Benefits | 394.9 |
| Travel | 18.9 |
| Maintenance and Repairs | 84.3 |
| Supplies | 30.5 |
| Contractual Services | 512.4 |
| Education and Training | 5.7 |
| Capital Outlay | 171.0 |
| Out-of-State Travel | 31.0 |
| Total Disbursements | $2,732.0 |
| Excess of Receipts over Disbursements | $5,915.2 |
| DEDUCT | |
| Transfer to State General Fund | $5,831.7 |
| Budgetary Reversion to State General Fund | 83.5 |
| Total Deduction | $5,915.2 |
| BALANCE, June 30, 1988 | $ 0.0 |

*Thousands of dollars

# Public Utilities Regulated by the New Mexico Public Service Commission

### Investor-Owned Electric Utilities

El Paso Electric Company
Public Service Company of New Mexico
Southwestern Public Service Company
Texas–New Mexico Power Company

### Rural Electric Cooperative Utilities

Central New Mexico Electric Cooperative, Inc.
Central Valley Electric Cooperative, Inc.
Columbus Electric Cooperative, Inc.
Continental Divide Electric Cooperative, Inc.
Duncan Valley Electric Cooperative, Inc.
Farmers Electric Cooperative, Inc.
Jemez Mountains Electric Cooperative, Inc.
Kit Carson Electric Cooperative, Inc.
Lea County Electric Cooperative, Inc.
Mora–San Miguel Electric Cooperative, Inc.
Navopache Electric Cooperative, Inc.
Northern Rio Arriba Electric Cooperative, Inc.
Otero County Electric Cooperative, Inc.
Plains Electric Generation & Transmission Cooperative, Inc.
Rio Grande Electric Cooperative, Inc.
Roosevelt County Electric Cooperative, Inc.
Sierra Electric Cooperative, Inc.
Socorro Electric Cooperative, Inc.
Southwestern Electric Cooperative, Inc.
Springer Electric Cooperative, Inc.

### Investor-Owned Water Utilities

Agua Fria Development Company
Albuquerque Utilities Corporation
Alto Village Services Corporation
Angel Fire Services Corporation
Anthony Water Works, Inc.
Boles Acres Water System
Caprock Water Company
CBG Maintenance, Inc.
Cerrillos Water & Irrigation Company
Country Club Estates Water Utility, Inc.
Desertaire Water Company
Dutchman's Hill Water Company
Echo Valley Water Company
Edgewood Water Utility Company, Inc.
El Dorado Utilities, Inc.
Golden Acres Water Company, Inc.
Independent Water Company
Indian Hills Water Company
Jornada Water Company
Lake Section Water Company
Mesa Development Center
Monterey Water Company, Inc.
Moongate Water Company
National Utility Company, Inc.
New Mexico–American Water Company
New Mexico Utilities, Inc.
Quemado Waterworks
Ranchos de Placitas Water Company
Rancho Ruidoso Village Water Company
Reserve Waterworks
Rio Grande Utility Corporation
River Valley View Water Works
Sandia Peak Utility Company
Sangre de Cristo Water Company
Santa Teresa Service Company
South Hills Water Company
Sunlit Hills of Santa Fe, Inc.
Thunder Mountain Water Company
Timberon Water Company, Inc.
Valle Vista Water Utility Co.

### Investor-Owned Natural Gas Utilities

Gas Company of New Mexico
Hobbs Gas Company
Jal Gas Company
Raton Natural Gas Company
Ruidoso Natural Gas Company

### Water and Sanitation Districts

Alpine Village Water & Sanitation District
Anthony Water & Sanitation District
Bluewater Water & Sanitation District
Lakeshore City Water & Sanitation District
Pena Blanca Water & Sanitation District
Ranchos de Placitas Water & Sanitation District
San Rafael Water & Sanitation District
Thoreau Water & Sanitation District
Twining Water & Sanitation District
Williams Acres Sanitation District
Yah-Ta-Hey Water & Sanitation District

### Investor-Owned Sewer Utilities

Albuquerque Utilities
Angel Fire Services Corporation
New Mexico Utilities
Rio Grande Utility Corporation
River Valley View Water System
Sandia Peak Utility Company
Santa Teresa Services
Valle Vista Water Utility

## MATTERS CONSIDERED BY THE PUBLIC SERVICE COMMISSION BETWEEN JULY 1, 1988 AND JUNE 30, 1989

| Case No. | Company | Date Filed | Type of Proceeding | Disposition | Date |
|---|---|---|---|---|---|
| 1811 | Public Service Company of New Mexico | 04/18/83 | Investigation G.O. 28—Coal Costs | Final Order | 01/17/89 |
| 1989 | Public Service Company of New Mexico | 09/03/85 | Line Extension Policy | Final Order | 09/19/88 |
| 2079 | Continental Divide Electric Cooperative | 12/08/86 | Complaint | Final Order | 02/20/89 |
| 2087 | Public Service Company of New Mexico | 01/14/87 | PVNGS Prudence Costs | Pending | |
| 2093 | Gas Company of New Mexico | 01/30/87 | Acquisition of Gasco | Final Order | 10/03/88 |
| 2146I | Public Service Company of New Mexico | 08/14/87 | Reorganization | Withdrawn | 09/02/88 |
| 2146II | Public Service Company of New Mexico | 09/02/88 | Excess Capacity/Inventory Alternatives | Final Order | 04/05/89 |
| 2147 | Gas Company of New Mexico | 08/28/87 | A/N #409 Rates, #410 Rates & Rules | Final Order | 08/08/88 |
| 2147Rmd | Gas Company of New Mexico | 08/28/87 | Rate Adjustment | Final Order | 05/15/89 |
| 2148 | Plains Elec. G&T Coop. | 09/18/87 | Board Policy B421 | Final Order | 07/18/88 |
| 2151 | NM Public Service Commission | 10/05/87 | 2nd Rev. G.O. 25 | Final Order | 01/17/89 |
| 2153 | Monterey Water Company | 10/07/87 | Certificate | Final Order | 08/01/88 |
| 2154 | Sandia Peak Utility Company | 09/29/87 | A/N #15 Rates | Final Order | 07/18/88 |
| 2158 | Tribune Swab/Fox Company, Inc. | 11/02/87 | Certificate | Final Order | 11/21/88 |
| 2161 | NM Public Service Commission | 11/24/87 | Sprinkler Stand-by Charges | Final Order | 10/17/88 |
| 2162 | El Paso Electric Company | 11/20/87 | Rate Increase | Final Order | 10/03/88 |
| 2166 | Rio Grande Utility Corporation | 12/11/87 | A/N #17 Rates | Final Order | 09/19/88 |
| 2167 | Albuquerque Utilities Corporation | 12/21/87 | Operation of Sewer System | Final Order | 02/20/89 |
| 2168 | Sandia Peak Utility Company | 12/21/87 | Operation of Sewer System | Final Order | 09/06/88 |
| 2169 | New Mexico Utilities Inc. | 12/21/87 | Operation of Sewer System | Final Order | 09/06/88 |
| 2170 | Rio Grande Utility Corp. | 12/21/87 | Operation of Sewer System | Final Order | 09/19/88 |
| 2171 | Santa Teresa Services | 12/23/87 | Certificate/Sewage System | Final Order | 09/06/88 |
| 2174 | Angel Fire Services Corp. | 12/28/87 | Operation of Sewer System | Final Order | 09/06/88 |
| 2175 | Texas–New Mexico Power Company | 12/30/87 | Financing | Final Order | 01/27/88 |
| 2176 | Columbus Electric Cooperative | 12/04/87 | A/N #19 Rates | Final Order | 07/18/88 |
| 2177 | Valle Vista Sewer Utility Company | 12/21/87 | A/N #3 Rates, Rules, Forms | Final Order | 09/06/88 |
| 2180 | River Valley View Water System | 01/14/88 | Certificate | Final Order | 09/06/88 |
| 2182 | Southwestern Public Service Company | 01/26/88 | Complaint | Final Order | 06/19/89 |
| 2183 | Gas Company of New Mexico | 01/29/88 | Petition to Suspend PGAC Increase | Pending | |
| 2184 | Ruidoso Natural Gas Company | 01/29/88 | Application for Variance & Enlargement | Final Order | 08/15/88 |
| 2186 | El Paso Electric Company | 02/16/88 | Amendment to Diversification Plan | Final Order | 01/17/89 |
| 2187 | El Paso Electric Company | 02/16/88 | Application to Issue Securities | Final Order | 11/07/88 |
| 2188 | Public Service Company of New Mexico | 02/23/88 | PNM Inventory Case | Final Order | 10/03/88 |
| 2191 | Public Service Company of New Mexico | 03/07/88 | Complaint—Refund of Fuel Overcharges | Final Order | 03/20/89 |
| 2193 | Plains Electric G&T Coop. | 02/26/88 | Rate Case A/N #16 | Final Order | 12/05/88 |
| 2194 | Plains Electric G&T Coop. | 02/26/88 | Rate Case A/N #17 | Final Order | 06/19/89 |
| 2197 | Otero County Electric Cooperative | 04/05/88 | Complaint | Pending | |
| 2202 | New Mexico-American Water Company | 04/25/88 | Rate Increase | Final Order | 12/28/88 |
| 2204 | Sangre de Cristo Water Company | 05/05/88 | Petition | Final Order | 02/06/89 |
| 2205 | Southwestern Public Service Company | 05/09/88 | Application for Variance | Final Order | 05/01/89 |
| 2207 | Northern Rio Arriba Electric Cooperative | 05/19/88 | Binding Arbitration | Final Order | 07/05/88 |
| 2208 | M. O. Seay | 05/20/88 | Petition/Show Cause | Final Order | 07/18/88 |
| 2209 | Gas Company of New Mexico | 05/24/88 | Application | Final Order | 12/05/88 |
| 2210 | Country Club Estates Water Utility | 05/31/88 | Plant Acquisition (CCE & SDC) | Final Order | 12/05/88 |
| 2211 | Texas–New Mexico Power Company | 05/09/88 | A/N #63 Rates, Rules & Forms | Final Order | 03/06/89 |
| 2212 | NM Public Service Commission | 06/08/88 | Petition for an Order to Show Cause | Final Order | 10/03/88 |
| 2213 | Texas–New Mexico Power Company | 05/26/88 | Variance | Final Order | 07/18/88 |
| 2214 | Reserve Waterworks | 06/16/88 | A/N #9 Rates | Final Order | 12/28/88 |
| 2215 | Lea County Electric Cooperative | 06/22/88 | Variance Levelized Fuel & Power Cost Adj. | Final Order | 08/01/88 |
| 2217 | Otero County Electric Coop. | 06/27/88 | Proposed Original Rate #4 | Final Order | 06/22/89 |
| 2218 | Sandia Peak Utility Company | 07/15/88 | Financing | Final Order | 08/15/88 |
| 2219 | Continental Divide Elec. Coop. | 07/18/88 | Financing | Final Order | 08/15/88 |
| 2220 | Northern Rio Arriba Elec. Coop. | 07/22/88 | Financing | Final Order | 08/15/88 |
| 2221 | Lake Section Water Company | 07/25/88 | Class II Transaction G.O. 39 | Final Order | 01/17/89 |
| 2222 | El Paso Electric Company | 08/04/88 | Modification of Stipulation | Pending | |
| 2223 | Sangre de Cristo Water Company | 08/12/88 | Complaint | Final Order | 12/05/88 |
| 2224 | Gas Company of New Mexico | 08/18/88 | PGAC Continuation | Pending | |
| 2225 | NM Public Service Commission | 09/06/88 | Proposed Econ. Dev. Rule 590 | Final Order | 11/21/88 |
| 2225Rmd | NM Public Service Commission | 09/06/88 | Amending NMPSC Rule 590 | Final Order | 06/19/89 |
| 2226 | Ruidoso Natural Gas Company | 09/06/88 | Merger (Natural Gas Proc.) | Final Order | 12/28/88 |
| 2227 | Edgewood Water Utility Company | 09/08/88 | Change in Rates A/N #13 | Final Order | 06/05/89 |
| 2228 | South Hills Water Company | 09/09/88 | Certificate Expansion | Pending | |
| 2229 | Public Service Company of New Mexico | 09/19/88 | Inventory Stipulation October Report | Final Order | 12/19/88 |
| 2230 | Kit Carson Elec. Coop. | 09/22/88 | Power Cost Adjustment Clause | Final Order | 10/03/88 |

| | | | | | |
|---|---|---|---|---|---|
| 2231 | Socorro Elec. Coop. | 09/23/88 | Financing | Final Order | 10/17/88 |
| 2232 | NM Public Service Commission | 10/03/88 | Amending Reporting Rules | Final Order | 12/19/88 |
| 2233 | NM Public Service Commission | 10/03/88 | Amending Conservation Rule 420 | Final Order | 12/19/88 |
| 2234 | Plains Elec. G&T Coop. | 10/11/88 | Adjust Fuel & Purchased Power Clause | Final Order | 06/05/89 |
| 2235 | Gas Company of New Mexico | 10/14/88 | Application to Sell White Rock Dist. | Final Order | 12/28/88 |
| 2236 | Gas Company of New Mexico | 10/14/88 | Variance to NMPSC Rule 410 | Pending | |
| 2237 | Gas Company of New Mexico | 10/14/88 | Variance to NMPSC Rule 650 | Pending | |
| 2238 | Kit Carson Elec. Coop. | 10/21/88 | Request for Arbitration of Dispute | Final Order | 05/01/89 |
| 2239 | National Water Utility Corporation | 10/26/88 | Complaint (Sabra Padilla) | Final Order | 02/20/89 |
| 2240 | Public Service Company of New Mexico | 10/31/88 | Financing | Final Order | 11/29/88 |
| 2241 | El Dorado Utilities | 10/03/88 | Rate Case A/N #15 | Pending | |
| 2242 | Central Valley Elec. Coop. | 11/07/88 | Notice/Refunds | Final Order | 12/19/88 |
| 2243 | Jal Gas Company | 11/08/88 | Change in Rates A/N #29 | Final Order | 05/15/89 |
| 2244 | Roosevelt County Elec. Coop. | 11/14/88 | Refund Plans | Final Order | 12/19/88 |
| 2245 | Gas Company of New Mexico | 11/29/88 | A/N #433 | Final Order | 11/29/88 |
| 2246 | Hobbs Gas Company | 12/01/88 | Purchased Gas Adjustment Clause | Pending | |
| 2247 | Texas-New Mexico Power Company | 12/09/88 | Securities & Diversification Plan | Final Order | 02/20/89 |
| 2248 | El Paso Electric Company | 11/18/88 | A/N #136 Rates | Final Order | 06/22/89 |
| 2249 | Kit Carson Elec. Coop. | 12/02/88 | A/N #35 Rates | Final Order | 03/06/89 |
| 2250 | Ranchos de Placitas Water Company | 12/14/88 | A/N #5 | Final Order | 06/19/89 |
| 2251 | Indian Hills Water Works | 01/11/89 | Amendment of Certificate | Pending | |
| 2252 | Thunder Mountain Water Company | 12/27/88 | Rate Case A/N #3 | Final Order | 04/03/89 |
| 2253 | Plains Elec. G&T Coop. | 01/20/89 | Financing | Final Order | 02/20/89 |
| 2254 | Public Service Company of New Mexico | 01/25/89 | Application for Variance | Final Order | 03/20/89 |
| 2255 | El Paso Electric Company | 01/17/89 | Rate Case A/N #137 | Final Order | 06/05/89 |
| 2256 | Hobbs Gas Company | 01/09/89 | A/N #37,38,39 | Pending | |
| 2257 | Valley View Association | 02/08/89 | Certificate of Convenience | Pending | |
| 2258 | Public Service Company of New Mexico | 02/08/89 | Variance/Cases 1891/92 | Pending | |
| 2259 | Homestead Water Company | 02/28/89 | Certificate of Convenience | Pending | |
| 2260 | Southwestern Public Service Company | 03/24/89 | Financing | Final Order | 04/17/89 |
| 2261 | Texas-New Mexico Power Company | 03/27/89 | Financing | Final Order | 05/05/89 |
| 2262 | Public Service Company of New Mexico | 03/31/89 | Rate Case | Pending | |
| 2263 | Public Service Company of New Mexico | 03/31/89 | Application for Economic Development | Final Order | 06/19/89 |
| 2264 | El Paso Electric Company | 04/07/89 | Variance from NMPSC Rule 410 | Pending | |
| 2265 | El Paso Electric Company | 04/19/89 | Complaint by the Attorney General | Final Order | 06/22/89 |
| 2266 | Raton Natural Gas Company | 03/29/89 | A/N #27,28,29 | Pending | |
| 2267 | Otero County Elec. Coop. | 04/24/89 | Financing | Final Order | 05/15/89 |
| 2268 | El Paso Electric Company | 05/03/89 | Amendment Case #1884 | Pending | |
| 2269 | Ruidoso Natural Gas Company | 05/26/89 | 1989 Rate Application A/N #4 | Pending | |
| 2270 | El Paso Electric Company | 06/07/89 | Financing | Pending | |
| 2271 | El Paso Electric Company | 06/07/89 | General Diversification Plan | Pending | |
| 2272 | NM Public Service Commission | 06/19/89 | Open Meeting Policy | Pending | |
| 2274 | Jemez Mountains Elec. Coop. | 06/21/89 | Financing | Pending | |
| 2275 | Albuquerque Utilities Corp. | 06/06/89 | Variance from NMPSC Rule 710.4(f) | Pending | |

# Future Directions and Suggestions

## Commission Audit Program

The Commission has initiated a program of routine audits of utilities by the accounting section. Audits of utility accounting records allow the Commission Staff to achieve a reasonable level of assurance that basic information filed with the Commission can be relied upon. Often times, it is this information which forms the basis for many of the applications presented to the Commission. Audits will shorten the time required for processing of these applications.

The Commission is implementing, as part of its audit program, a procedure to review the statement of gross receipts filed by its regulated utilities on an annual basis. This review will help to ensure the dollar amount of the Inspection & Supervision Fee paid by each utility to the State is correct.

## NMPSC Audit Rule

Consistent with the creation of the accounting section, the Commission on July 17, 1989, issued a Notice of Proposed Rulemaking in Case No. 2276 to consider adopting a new rule concerning utility audits (NMPSC Rule 360). The Commission has requested written comments be filed by August 16, 1989.

NMPSC Rule 360 was developed to formalize procedures to be followed by Commission Staff in performing routine and special audits. The purpose is to insure that all utilities are properly and correctly maintaining their accounting records in conformance with Code of Rules and Regulations of the New Mexico Public Service Commission (1988 Annotated) or other Commission Orders. The procedures will allow the Commission or its Staff to acquire and review utility-related information necessary for the Commission to carry out its duties as authorized by the Public Utility Act.

## Rules Governing Sewer Utilities

The 1987 Legislature enacted NMSA 1978, Section 62-9-2.1 providing for the regulation of sewer utilities by the Commission. The Commission on August 7, 1989, issued a Notice of Proposed Rulemaking in Case No. 2277 to develop a comprehensive set of rules that will govern the regulation of investor-owned sewer utilities (NMPSC Rule 900 Series).

## Load Retention Rates

The Commission is considering the possibility of allowing utilities to offer load retention rates pursuant to House Bill 210, as amended. Load retention rates would provide utilities with the flexibility to lower rates to meet competition. These rates could be used to prevent an existing customer switching to another fuel, moving to another area or, possibly, from going out of business.

## Competitive Bidding Rule for New Electrical Generation

The Commission is in the process of exploring the development of a new rule allowing or requiring competitive bidding of all new electric generation capacity additions. Over time, some form of competitive bidding may result in a least-cost mix of utility resources and could result in the lowest possible cost of providing electrical energy to customers.

## House Memorial 67

The 1988 House of Representatives passed House Memorial 67 ("HM 67") which requested the Commission to allow gas utilities to sell certain gas produced in the State of New Mexico at a reduced rate for purposes of economic development and load retention. On April 21, 1989, the Commission solicited suggestions from known interested parties on how to implement the stated purpose of HM 67 and requested language for a new rule. The Commission received comments from several parties on this matter but received only one recommendation of language for such a rule. The Commission either through a formal or informal process will continue to explore avenues to accomplish the stated purpose of HM 67.

## Case Reporting Simplification

Having simplified and streamlined the utility reporting requirements contained in the Code of Rules and Regulations of the New Mexico Public Service Commission (1988 Annotated), the Commission is now in the process of simplifying the reporting requirements originating from individual cases. Existing reporting requirements which were initiated by the Final Orders in individual cases will be examined to see if they should be terminated, modified or retained.

## Computerize Commission Functions

**Electronic Bulletin Board:** The Commission is in the process of developing an electronic bulletin board for posting notice of its regular and special open meetings and its working sessions.

This would provide 24-hour access via personal computer and telephone to Commission notices and agendas to any citizen or business in the State.

**Compliance:** In the effort to simplify and streamline reporting requirements, the Commission has identified all reports and compliance filings by utilities, received by the Commission. This list of reporting requirements will be set up as a database on the computer to ensure that compliance filings are received on time and they are routed to the staff members who need the information for verification and analysis once the filings are received.

**Personnel:** The Commission is in the process of fully automating all personnel and payroll functions under the State's Human Resources System (HRS) database.

**Budget:** The Commission, for the first time, is preparing its annual budget request on a Lotus program run on a personal computer. This program was obtained from the Department of Finance and Administration. In the future, Commission budget preparation time will be reduced significantly.

# Appendices

## Statutory Duties and Authority

The New Mexico Public Service Commission is charged by the Public Utility Act with the regulation of the rates and service provided by gas, electric, water and sewer utilities. NMSA 1978, Sections 62-3-1, et seq. (Repl.Pamp.1984 and Cum.Supp.1986). The Public Utility Act became law in New Mexico in 1941. N.M. Laws 1941, Ch.85. The Act created a 3-person Commission appointed by the Governor, with the approval of the Senate, for staggered 6-year terms. NMSA 1978, Sections 62-5-1,-5-3 (Repl.Pamp.1984).

Municipally-owned utilities are not subject to Commission jurisdiction under the Act unless the voters of the municipality vote for regulation. NMSA 1978, Sections 62-6-5 (Repl. Pamp.1984). At the end of the period covered by this report, no municipality was subject to Commission regulation. The Commission once had the authority to disapprove the rates and service regulations of an electric municipal utility operating more than 5 miles beyond a municipal boundary. NMSA 1978, Section 3-24-9 (Repl.Pamp.1984). The 1987 Legislature, however, repealed this authority. N.M. Laws 1987, Ch.170.

Rural electric cooperatives initially came within Commission jurisdiction in 1961. Laws 1961, Ch.89. That law was found unconstitutional in 1966; however, jurisdiction was reestablished in 1967. Community Public Service Co. v. N.M. Public Service Comm'n, 76 N.M. 314, 414 P.2d 675 (1966), cert. denied, 385 U.S. 933 (1966); Laws 1967, Ch.96.

In 1985, the Legislature partially deregulated rural electric cooperatives, small water companies, and water and sanitation districts. NMSA 1978, Sections 62-8-7(F),-7.1 (Cum.Supp.1986); NMSA 1978, Sections 73-21-16(L),-55 (Cum.Supp.1986). As a result, rural electric cooperatives may change rates without prior Commission approval unless ratepayers protest to the Commission, in which case the Commission holds hearings prior to rate implementation. Similarly, water companies whose annual revenues are less than $500,000 can increase rates without prior Commission approval unless the increase is more than 50% or ratepayers protest to the Commission.

The rates, but not the service, of water and sanitation districts had been subject to Commission prior approval under the Water and Sanitation District Act. N.M. Laws 1967, Ch.187. Now, district rates and charges are only subject to Commission approval upon protest of district taxpayer-electors. Section 73-21-55. The governing board of a district can also elect to place the district under Commission regulation of all of its rates, service and financing under the Public Utility Act. Id. Otherwise, the Commission has only the limited authority described above under the Water and Sanitation District Act.

In 1987, the Legislature expanded the Commission's duties by charging it with regulation of rates and service of sewer utilities. Previously unregulated, these utilities' rates and service now are regulated like those of water utilities. N.M. Laws 1987, Ch.52.

In the natural gas area, Commission authority has changed over the past two years. The 1984 Legislature passed and the 1985 Legislature continued Commission authorization to regulate the price charged for intrastate gas transportation by public utilities and to enforce the legislative mandate for such transportation. N.M. Laws 1984, Ch.123, Section 7; N.M. Laws 1985, Ch.8, Section 1, codified at NMSA 1978, Section 62-6-4.1 (Cum.Supp.1986). The 1985 Legislature also allowed the expiration of the Commission's authority to regulate certain intrastate wellhead gas prices under the 1984 New Mexico Natural Gas Price Protection Act. See, N.M. Laws 1984, Ch.123, Section 15.

The 1987 Legislature amended the Commission's statutory authority over intrastate gas transportation. The amendments prohibit gas utilities from marketing and brokering natural gas and gives the Commission authority to assess a civil penalty against violators of the statute's requirements for gas transportation. N.M. Laws 1987, Ch.93.

A 1982 amendment to the Public Utility Act changed the method of judicial review of final orders of the Commission NMSA 1978, Sections 62-11-1 to -7 (Repl.Pamp.1984). The amendment provides for direct appeal from proceedings under the Act to the State Supreme Court by any party to the proceedings. Prior to the amendment, judicial review was through a petition to the District Court with an appeal lying to the State Supreme Court from the District Court judgment. N.M. Laws 1965, Ch.289.

A public utility must have prior approval by the Commission for the issuance of stocks and issuance of long term securities. NMSA 1978, Sections 62-6-6, -8, -8.1 (Repl.Pamp.1984). No person may operate as a utility without obtaining from the Commission a Certificate of Public Convenience and Necessity which is, in effect, a license to do business that only the Commission may issue. NMSA 1978, Sections 62-9-1 (Repl. Pamp.1984). A certificate is also required for certain extensions of service territory and certain additions of plant and facilities. NMSA 1978, Sections 62-9-1 to -3 (Repl.Pamp.1984). Since 1971, the Commission must approve the location of large electric generating stations and transmission lines from an environmental standpoint. NMSA 1978, Section 62-9-3 (Repl.Pamp.1984). The Commission also has certain specified authority to examine the books and records of business entities that are affiliates of public utilities. NMSA 1978, Sections 62-6-17, -19 (Repl.Pamp.1984).

In 1982, a law was passed which placed a moratorium on diversification activities by public utilities. N.M. Laws 1982, Ch.109. An interim legislative committee was established to study the diversification issue and the Commission was ordered to adopt regulations governing diversified activities by November 30, 1982. The Commission complied with this requirement by promulgating and adopting what is now known as Rule 450. In 1983, the Legislature allowed the moratorium on diversification activities to expire. Id. The 1983 Legislature also amended the Act to provide the Commission with authority to require wheeling by electric utilities upon complaint by another electric utility. NMSA 1978, Section 62-6-5 (Repl.Pamp.1984). The Commission is required to apply federal standards in ruling on each complaint. Wheeling is defined as the use of transmission facilities of one utility system to transmit power of and for another utility system. In 1983, the Act was also amended to make it more difficult to receive a stay of a Commission order on appeal. NMSA 1978, Section 62-11-6 (Repl.Pamp. 1984).

**TABLE 1**
**Rate Requests**

| Case No. | Company | Type Service | Date Filed | Final Order | Amount Requested | Amount Granted | Rate Base | RoRb% | RoE% |
|---|---|---|---|---|---|---|---|---|---|
| 2269 | RNG | G | 05/26/89 | Pending | 574,460 | | | | |
| 2262 | PNM | E | 06/12/89 | Pending | 13,653,276 | — | — | — | — |
| 2252 | TWC | W | 12/27/89 | 04/03/89 | 241,024 | 0 | N/A | N/A | N/A |
| 2250 | RPW | W | 12/14/88 | 06/19/89 | 17,310 | 14,365 | 171,202 | 5% | 5% |
| 2249 | KCE | E | 12/02/88 | 03/06/89 | 810,006 | 810,006 | N/D | N/D | — |
| 2243 | JAL | G | 11/08/88 | 05/15/89 | 86,105 | 86,105 | 445,409 | 12% | 12% |
| 2241 | EDU | W | 10/03/88 | Pending | 13,510 | — | — | — | — |
| 2228 | SHW | W | 09/09/88 | Pending | — | — | — | — | — |
| 2227 | EWC | W | 09/09/88 | 06/05/89 | 60,806 | 37,737 | 207,931 | 10.982 | 10.982 |
| 2214 | RWW | W | 06/16/88 | 12/28/88 | 17,498 | 16,606 | 63,783 | 10.81 | 10.81 |
| 2202 | NMA | W | 04/25/88 | 12/28/88 | 1,004,985 | 759,020 | 13,416,507 | 11.442 | 13.06 |
| 2176 | CEC | E | 12/04/87 | 07/18/88 | 419,469 | 419,469 | 8,387,102 | 4.28 | N/A |
| 2166 | RGU | W | 12/11/87 | 09/19/88 | 95,930 | 78,464 | 1,108,270 | 9.5 | 9.5 |
| 2162 | EPE | E | 11/20/87 | 10/03/88 | 5,526,590 | 4,067,569 | N/D | N/D | N/D |
| 2154 | SPU | W | 09/29/87 | 07/18/88 | 584,920 | 556,066 | 956,668 | 9.34 | 9.25 |
| 2147 | GNM | G | 08/28/87 | 08/08/88 | 18,335,084 | 9,867,840 | 218,266,718 | 10.959 | 12.74 |

N/D = Not Determined
N/A = Does Not Apply

**Rule 540**

1. Otero County Electric Cooperative, Inc. (no protests)
2. Northern Rio Arriba Electric Cooperative, Inc. (no protests)
3. Otero County Electric Cooperative, Inc. (no protests)
4. Columbus Electric Cooperative, Inc. (no protests)
5. Kit Carson Electric Cooperative, Inc. (See Case No. 2249)
6. Farmers Electric Cooperative, Inc. (no protests)
7. Northern Rio Arriba Electric Cooperative, Inc. (no protests)
8. Southwestern Electric Cooperative, Inc. (no protests)
10. Central New Mexico Electric Cooperative, Inc. (no protests)
11. Socorro Electric Cooperative, Inc. (no protests)
12. Northern Rio Arriba Electric Cooperative, Inc. (no protests)

**Rule 770**

1. Desertaire Water Company (no protests)
2. Sandia Peak Utility Company (See Case No. 2154)
3. Jornada Water Company (no protests)
4. South Hills Water Company (See Case No. 2228)
5. Edgewood Water Utility Company (See Case No. 2227)
6. Rio Grande Utilities (See Case No. 2166)
7. El Dorado Utility Company (no protests)
8. Timberon Water Company (See Case No. 2252)
9. New Mexico–American Water Company (See Case No. 2202)
10. Reserve Water Works (See Case No. 2214)
12. Ranchos de Placitas Water Company (See Case No. 2250)

**TABLE 2**
**Investor-Owned Electric Utility Statistics**

| Customer Class | Residential | | | Other | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|
| Calendar Year | 1986 | 1987 | 1988 | 1986 | 1987 | 1988 | 1986 | 1987 | 1988 |
| Total Average Number of Customers | 381,091 | 405,239 | 403,166* | 55,538 | 60,995 | 62,924 | 436,629 | 466,234 | 466,108 |
| KWH Sales (Thousands) | 2,317,806 | 2,443,805 | 2,523,643 | 6,212,515 | 8,752,423 | 9,745,388 | 8,530,321 | 11,196,228 | 12,269,031 |
| Gross Revenues | $204,172,219 | $218,308,854 | $223,361,893 | $418,355,018 | $509,475,876 | $680,989,819 | $622,527,237 | $727,784,730 | $904,351,712 |
| Avg. Annual KWH per Customer (1) | 6,082 | 6,031 | 6,260 | 111,861 | 143,494 | 154,831 | 19,537 | 24,014 | 26,322 |
| Avg. Annual Bill per Customer (2) | $535.76 | $538.72 | $554.02 | $7,532.77 | $8,352.75 | $10,819.32 | $1,425.76 | $1,560.99 | $1,940.22 |
| Avg. Monthly Bill per Customer (3) | $44.65 | $44.89 | $46.17 | $627.73 | $696.06 | $901.61 | $118.81 | $130.08 | $161.68 |
| Avg. Gross Revenue per KWH Sold (4) | $0.0881 | $0.0893 | $0.0885 | $0.0673 | $0.0582 | $0.0699 | $0.0730 | $0.0650 | $0.0737 |

Notes: 1) Sales KWH / Average number of customers
2) Gross Revenues / Average number of customers
3) Average Annual Bill per Customer / 12 months
4) Gross Revenues / Sales KWH

*Use of standardized forms eliminated duplication of reported customers.

## TABLE 3
## Rural Electric Cooperative Utility Statistics

| Customer Class | | Residential | | | Other | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Calendar Year | | 1986 | 1987 | 1988 | 1986 | 1987 | 1988 | 1986 | 1987 | 1988 |
| Total Average Number of Customers | | 104,349 | 104,388 | 106,729 | 27,452 | 26,268 | 26,197 | 131,801 | 130,656 | 132,926 |
| Sales (Thousands of Kwh) | | 569,049 | 568,309 | 591,894 | 1,840,122 | 1,107,757 | 1,579,667 | 2,409,171 | 1,676,066 | 2,171,561 |
| Gross Revenues | | $59,029,480 | $60,027,240 | $60,535,946 | $139,681,679 | $115,392,337 | $122,508,088 | $198,711,159 | $175,419,577 | $183,044,034 |
| Avg. Annual Kwh per Customer | (1) | 5,453 | 5,444 | 5,546 | 67,031 | 42,171 | 60,300 | 18,279 | 12,828 | 16,337 |
| Avg. Annual Bill per Customer | (2) | $565.69 | $575.04 | $567.19 | $5,088.22 | $4,392.89 | $4,676.42 | $1,507.66 | $1,342.61 | $1,377.04 |
| Avg. Monthly Bill per Customer | (3) | $47.14 | $47.92 | $47.27 | $424.02 | $366.07 | $389.70 | $125.64 | $111.88 | $114.75 |
| Avg. Gross Revenue per Kwh Sold | (4) | $0.1037 | $0.1056 | $0.1023 | $0.0759 | $0.1042 | $0.0776 | $0.0825 | $0.1047 | $0.0843 |

Notes: 1) Sales KWH / Average number of customers
2) Gross Revenues / Average number of customers
3) Average Annual Bill per Customer / 12 months
4) Gross Revenues / Sales KWH

## TABLE 4
## Gas Utility Statistics

| Customer Class | | Residential | | | Other | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Calendar Year | | 1986 | 1987 | 1988 | 1986 | 1987 | 1988 | 1986 | 1987 | 1988 |
| Total Average Number of Customers | | 300,795 | 307,141 | 313,650 | 32,994 | 33,405 | 33,678 | 333,789 | 340,546 | 347,328 |
| MCF Sales | | 21,505,726 | 24,453,728 | 24,690,938 | 27,522,258 | 22,699,393 | 24,034,661 | 49,027,984 | 47,153,121 | 48,725,599 |
| Gross Revenues | | $123,713,436 | $120,853,378 | $128,909,822 | $112,356,988 | $88,543,582 | $89,948,997 | $236,070,424 | $209,396,960 | $218,858,819 |
| Avg. Annual MCF per Customer | (1) | 71 | 80 | 79 | 834 | 680 | 714 | 147 | 138 | 140 |
| Avg. Annual Bill per Customer | (2) | $411.29 | $393.48 | $411.00 | $3,405 | $2,651 | $2,671 | $707.24 | $614.89 | $630.12 |
| Avg. Monthly Bill per Customer | (3) | $34.27 | $32.79 | $34.25 | $284 | $221 | $223 | $58.94 | $51.24 | $52.51 |
| Avg. Gross Revenue per MCF Sold | (4) | $5.75 | $4.94 | $5.22 | $4.08 | $3.90 | $3.74 | $4.82 | $4.44 | $4.49 |

Notes: 1) Sales MCF / Average number of customers
2) Gross Revenues / Average number of customers
3) Average Annual Bill per Customer / 12 months
4) Gross Revenues / Sales MCF

*Sales customers only
Does not include transportation gas.

## TABLE 5
## Water Utility Statistics

| Customer Class | | Residential | | | Other | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Calendar Year | | 1986 | 1987 | 1988 | 1986 | 1987 | 1988 | 1986 | 1987 | 1988 |
| Total Average Number of Customers | | 50,117 | 52,431 | 55,122 | 9,711 | 10,023 | 6,033* | 59,828 | 62,454 | 61,155 |
| Sales (Thousands of Gallons, MG) | | 6,398,390 | 6,670,091 | 12,321,569 | 2,911,059 | 2,690,229 | 3,213,714 | 9,309,449 | 9,360,320 | 15,535,283 |
| Gross Revenues | | $14,893,327 | $16,082,483 | $15,952,912 | $7,414,983 | $7,523,994 | $8,214,082 | $22,308,310 | $23,606,477 | $24,166,994 |
| Avg. Annual MG per Customer | (1) | 128 | 127 | 224 | 300 | 268 | 533 | 156 | 150 | 254 |
| Avg. Annual Bill per Customer | (2) | $297.17 | $306.74 | $289.41 | $763.57 | $750.67 | $1,361.53 | $372.87 | $377.98 | $395.18 |
| Avg. Monthly Bill per Customer | (3) | $24.76 | $25.56 | $24.12 | $63.63 | $62.56 | $113.46 | $31.07 | $31.50 | $32.93 |
| Avg. Gross Revenue per MG Sold | (4) | $2.33 | $2.41 | $1.29 | $2.55 | $2.80 | $2.56 | $2.40 | $2.52 | $1.56 |

Notes: 1) Sales MG / Average number of customers
2) Gross Revenues / Average number of customers
3) Average Annual Bill per Customer / 12 months
4) Gross Revenues / Sales MG

*Use of standardized forms eliminated duplication of reported customers.
Sewer Utilities were not required to submit statistical data.

**TABLE 6**
**Number of Complaints by Utility Type**
**1988–1989**

| Utility Type | Service | Tariff | Billing | Danger | Miscellaneous | Total |
|---|---|---|---|---|---|---|
| Investor-Owned Electric | 117 | 102 | 148 | 1 | 50 | 418 |
| Investor-Owned Natural Gas | 54 | 18 | 71 | 4 | 10 | 157 |
| Rural Electric Cooperative | 41 | 16 | 49 | 1 | 26 | 133 |
| Investor-Owned Water | 60 | 10 | 30 | 3 | 7 | 110 |
| Water and Sanitation District | 0 | 0 | 0 | 0 | 0 | 0 |
| Sewer | 0 | 0 | 1 | 0 | 0 | 1 |
| Submetering | 4 | 0 | 0 | 0 | 0 | 4 |
| Uncertified or No Jurisdiction | 25 | 1 | 6 | 0 | 9 | 41 |
| TOTAL | 301 | 147 | 305 | 9 | 102 | 864 |

## New Mexico Public Service Commission Available Brochures

The New Mexico Public Service Commission publishes brochures to help the public understand the functions of the Commission, their own utility bills, and what steps can be taken to conserve energy. The brochures available upon request are:

- *The New Mexico Public Service Commission, What It Is, and How It Works*
- *Utility Ratemaking and the New Mexico Public Service Commission*
- *Customer Rights and Responsibilities* ("Consumer Bill of Rights")
- *Understanding Your Utility Bill*

For copies or further information, please contact:

New Mexico Public Service Commission
Tariff and Compliance Department
Marian Hall
224 East Palace Ave.
P.O. Box 2205
Santa Fe, New Mexico 87504-2205
(505) 827-6940
FAX (505) 827-6973